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ABSTRACT

This conference report covers the Comprehensive and Employment Training Act Amendments 1978 to provide improved employment and training services. The first two-thirds of the report presents each of the eight titles comprising the amendments. Title 1 covers the administrative provisions, both organizational and general. Title 2 on comprehensive employment and training services focuses on financial assistance provisions, services for the economically disadvantaged (includes youth, older workers, and public assistance recipients), and occupational upgrading and retraining. The third title stipulates special federal responsibilities, including special national programs and activities for Native Americans, migrant workers, veterans, handicapped persons, and older workers, as well as information on efforts in research, training, and evaluation. Title 4 provides for youth programs, such as Youth Incentive Entitlement Pilot Projects, Youth Community Conservation and Improvement Projects, Youth Employment and Training Programs, Job Corps, and Summer Youth Program. Title 5 establishes the National Commission for Employment Policy, and the sixth title provides for the Countercyclical Public Service Employment Program. Title 7 covers private sector opportunities for the economically disadvantaged while the last provides for the establishment of a Young Adult Conservation Corps. The last third of the report notes the differences between the Senate bill and the House amendment and the substitute agreed to in conference. (EM)

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95TH CONGRESS 2d Session } HOUSE OF REPRESENTATIVES { REPORT No. 95-1765

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT AMENDMENTS OF 1978

OCTOBER 11, 1978.—Ordered to be printed

Mr. PERKINS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 2570]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2570) to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Comprehensive Employment and Training Act Amendments of 1978".

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT REAUTHORIZATION

SEC. 2. The Comprehensive Employment and Training Act of 1973 is amended to read as follows:

"SHORT TITLE

"Section 1. This Act, with the following table of contents, may be cited as the 'Comprehensive Employment and Training Act'.

TABLE OF CONTENTS

"Sec. 1. Short title.
"Sec. 2. Statement of purpose.
"Sec. 3. Definitions.

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"TITLE I—ADMINISTRATIVE PROVISIONS

"PART A—ORGANIZATIONAL PROVISIONS

"Sec. 101. Prime sponsors.
"Sec. 102. Authority of Secretary to provide services.
"Sec. 103. Comprehensive employment and training plan.
"Sec. 104. Review of plans.
"Sec. 105. Governor's coordination and special services plan.
"Sec. 106. Complaints and sanctions.
"Sec. 107. Judicial review.
"Sec. 108. Reallocation.
"Sec. 109. Prime sponsor's planning council.
"Sec. 110. State employment and training council.
"Sec. 111. Consultation.
"Sec. 112. Authorization of appropriations.

"PART B—GENERAL PROVISIONS

"Sec. 121. Conditions applicable to all programs.
"Sec. 122. Special conditions applicable to public service employment.
"Sec. 123. Special provisions.
"Sec. 124. Wages and allowances.
"Sec. 125. Labor standards.
"Sec. 126. Secretary's authority and performance standards.
"Sec. 127. Reports.
"Sec. 128. Services and property.
"Sec. 129. Utilization of services and facilities.
"Sec. 130. Interstate agreements.
"Sec. 131. Prohibition against political activities.
"Sec. 132. Nondiscrimination.
"Sec. 133. Records, audits, and investigations.
"Sec. 134. Bonding.
"Sec. 135. Office of Management Assistance.

"TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING SERVICES

"PART A—FINANCIAL ASSISTANCE PROVISIONS

"Sec. 201. Purpose of program.
"Sec. 202. Allocation of funds.
"Sec. 203. Conditions for receipt of financial assistance.
"Sec. 204. Supplemental vocational education assistance.
"Sec. 205. Participant assessment.

"PART B—SERVICES FOR THE ECONOMICALLY DISADVANTAGED

"Sec. 211. Description of program.
"Sec. 212. Limitations on use of funds.
"Sec. 213. Eligibility for participation.
"Sec. 214. Services for youth.
"Sec. 215. Services for older workers.
"Sec. 216. Services for public assistance recipients.

"PART C—UPGRADING AND RETRAINING

"Sec. 231. Occupational upgrading and retraining.

"PART D—TRANSITIONAL EMPLOYMENT OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

"Sec. 231. Statement of purpose.
"Sec. 232. Financial assistance.
"Sec. 233. Allocation of funds.
"Sec. 234. Expenditure of funds.
"Sec. 235. Prime sponsors and program agents.
"Sec. 236. Eligibility.
"Sec. 237. Wages.

"TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

"PART A—SPECIAL NATIONAL PROGRAMS AND ACTIVITIES

"Sec. 301. Special programs and activities.
"Sec. 302. Native American employment and training programs.
"Sec. 303. Migrant and seasonal farmworker employment and training programs.
"Sec. 304. Job search and relocation assistance.
"Sec. 305. Veterans information and outreach.
"Sec. 306. Programs for the handicapped.
"Sec. 307. Partnership programs.
"Sec. 308. Projects for middle-aged and older workers.

"PART B—RESEARCH, TRAINING, AND EVALUATION

"Sec. 311. Research.
"Sec. 312. Labor market information and job bank program.
"Sec. 313. Evaluation.
"Sec. 314. Training and technical assistance.
"Sec. 315. National Occupational Information Coordinating Committee.
"Sec. 316. Evaluations and incentive grants.
"Sec. 317. Voucher demonstration projects.
"Sec. 318. Employment and training activities to stimulate local private economic development.

"TITLE IV—YOUTH PROGRAMS

"Sec. 401. Statement of purpose.
"Sec. 402. Definitions.

"PART A—YOUTH EMPLOYMENT DEMONSTRATION PROGRAMS

"Sec. 411. Statement of purpose.

"Subpart 1—Youth Incentive Entitlement Pilot Projects

"Sec. 416. Entitlement pilot projects authorized.
"Sec. 417. Employment guarantees.
"Sec. 418. Selecting prime sponsors.
"Sec. 419. Special provisions.
"Sec. 420. Reports.

"Subpart 2— Youth Community Conservation and Improvement Projects

"Sec. 421. Statement of purpose.
"Sec. 422. Definitions.
"Sec. 423. Allocation of funds.
"Sec. 424. Community conservation and improvement youth employment projects.
"Sec. 425. Project applications.
"Sec. 426. Proposed agreements.
"Sec. 427. Approval of agreements.
"Sec. 428. Work limitation.

"Subpart 3—Youth Employment and Training Programs

"Sec. 431. Statement of purpose.
"Sec. 432. Programs authorized.
"Sec. 433. Allocation of funds.
"Sec. 434. Eligible applicants.
"Sec. 435. Eligible participants.
"Sec. 436. Conditions for receipt of financial assistance.
"Sec. 437. Review of plans by Secretary.
"Sec. 438. Secretary's discretionary projects.
"Sec. 439. Youth employment incentive and social bonus program.

"*Subpart 4—General Provisions*

"*Sec. 441. Distribution of funds.*
"*Sec. 442. Wage provisions.*
"*Sec. 443. Special conditions.*
"*Sec. 444. Special provisions for subparts 2 and 3.*
"*Sec. 445. Academic credit, education credit, counseling and placement services, and basic skills development.*
"*Sec. 446. Disregarding earnings.*
"*Sec. 447. Relation to other provisions.*

"*PART B—JOB CORPS*

"*Sec. 450. Statement of purpose.*
"*Sec. 451. Establishment of the Job Corps.*
"*Sec. 452. Individuals eligible for the Job Corps.*
"*Sec. 453. Screening and selection of applicants: general provisions.*
"*Sec. 454. Screening and selection: special limitations.*
"*Sec. 455. Enrollment and assignment.*
"*Sec. 456. Job Corps Centers.*
"*Sec. 457. Program activities.*
"*Sec. 458. Allowances and support.*
"*Sec. 459. Standards of conduct.*
"*Sec. 460. Community participation.*
"*Sec. 461. Counseling and job placement.*
"*Sec. 462. Experimental and developmental projects.*
"*Sec. 463. Advisory boards and committees.*
"*Sec. 464. Participation of the States.*
"*Sec. 465. Application of provisions of Federal law.*
"*Sec. 466. Special provisions.*
"*Sec. 467. General provisions.*
"*Sec. 468. Utilization of funds.*

"*PART C—SUMMER YOUTH PROGRAM*

"*Sec. 481. Establishment of program.*
"*Sec. 482. Prime sponsors.*
"*Sec. 483. Financial assistance.*
"*Sec. 484. Secretarial authority.*

"*TITLE V—NATIONAL COMMISSION FOR EMPLOYMENT POLICY*

"*Sec. 501. Statement of purpose.*
"*Sec. 502. Commission established.*
"*Sec. 503. Functions of the Commission.*
"*Sec. 504. Administrative provisions.*
"*Sec. 505. Reports.*

"*TITLE VI—COUNTERCYCLICAL PUBLIC SERVICE EMPLOYMENT PROGRAM*

"*Sec. 601. Statement of purpose.*
"*Sec. 602. Report on appropriations.*
"*Sec. 603. Financial assistance.*
"*Sec. 604. Allocation of funds.*
"*Sec. 605. Expenditure of funds.*
"*Sec. 606. Prime sponsors and program agents.*
"*Sec. 607. Eligibility.*
"*Sec. 608. Wages.*
"*Sec. 609. Wage supplementation.*
"*Sec. 610. Utilization of funds.*

"*TITLE VII—PRIVATE SECTOR OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED*

"*Sec. 701. Statement of purpose.*
"*Sec. 702. Financial assistance.*
"*Sec. 703. Conditions for receipt of financial assistance.*
"*Sec. 704. Private industry councils.*
"*Sec. 705. Program activities.*
"*Sec. 706. Report.*

"TITLE VIII—YOUNG ADULT CONSERVATION CORPS

"Sec. 801. Statement of purpose.
"Sec. 802. Establishment of Young Adult Conservation Corps.
"Sec. 803. Selection of enrollees.
"Sec. 804. Activities of the Corps.
"Sec. 805. Conditions applicable to Corps enrollees.
"Sec. 806. State and local programs.
"Sec. 807. Secretarial reports.
"Sec. 808. Antidiscrimination.
"Sec. 809. Transfer of funds.

"STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to provide job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons which will result in an increase in their earned income, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible, coordinated, and decentralized system of Federal, State, and local programs. It is further the purpose of this Act to provide for the maximum feasible coordination of plans, programs, and activities under this Act with economic development, community development, and related activities, such as vocational education, vocational rehabilitation, public assistance, self-employment training, and social service programs.

"DEFINITIONS

"SEC. 3. As used in this Act—

"(1) The term 'academic credit' means credit for education, training, or work experience applicable toward a secondary school diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable State law, regulation, and policy and the requirements of an accredited educational agency or institution in a State.

"(2) (A) Except as provided in subparagraph (B), the term 'area of substantial unemployment' means any area of sufficient size and scope to sustain a public service employment program and which has an average rate of unemployment of a least 6.5 percent for the most recent 12 months as determined by the Secretary.

"(B) With respect to determinations made for fiscal year 1979, and for parts A, B, and C of title II for any fiscal year, such term means any area of sufficient size and scope to sustain such a program and which has an average rate of unemployment of at least 6.5 percent for any 3 consecutive months within the most recent 12-month period as determined by the Secretary.

"(C) Determinations of areas of substantial unemployment shall be made once each fiscal year.

"(3) The term 'artificial barriers to employment' means limitations in the hiring, firing, promotion, licensing, and other terms and condition of employment which are not directly related to an individual's fitness or ability to perform the duties required by the employment position.

"(4) The term 'community-based organizations' means private nonprofit organizations which are representative of communities or significant segments of communities and which provide employment and training services (for example, Opportunities Industrialization

Centers, the National Urban League, SER-Jobs for Progress, United Way of America, Mainstream, the National Puerto Rican Forum, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities (as defined in section 7(10) of the Rehabilitation Act of 1973), agencies serving youth, union-related organizations, and employer-related nonprofit organizations).

"(5) The term 'Consumer Price Index' means the 'All Urban Consumer Index' as determined by the Secretary of Labor.

"(6) The term 'disabled veteran' means those veterans described in section 2011(1) of title 38, United States Code.

"(7) The term 'displaced homemaker' means an individual who—

"(A) has not worked in the labor force for a substantial number of years but has, during those years, worked in the home providing unpaid services for family members;

"(B)(i) has been dependent on public assistance or on the income of another family member but is no longer supported by that income, or (ii) is receiving public assistance on account of dependent children in the home but is within 6 months of no longer being eligible for such assistance; and

"(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

"(8) The term 'economically disadvantaged' means a person who (A) receives, or is a member of a family which (i) receives cash welfare payments under a Federal, State, or local welfare program, or (ii) had a family income during the 6-month period prior to application for the program involved which would have qualified such family for such cash welfare payments, subject to regulations of the Secretary; (B) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is a foster child on behalf of whom State or local government payments are made; or (A) *in cases permitted by regulations of the Secretary, is a handicapped individual living at home or is an individual who is institutionalized or receiving services in, or is a client of, a sheltered workshop, prison, hospital, or similar institution or in community care. Except for any person who would be eligible for assistance under title V of the Older Americans Act of 1965 or a handicapped individual who is sixteen years of age or older, any person claimed as a dependent on another person's Federal income tax return under section 151(e) of the Internal Revenue Code of 1954 for the previous year shall be presumed, unless otherwise demonstrated, to be part of the person's family, for the current year.*

"(9) The term 'entry level' means the lowest position in any promotional line, as defined locally by collective-bargaining agreements, past practice, or applicable personnel rules.

"(10) The term 'Governor' means the chief executive of any State.

"(11) The term 'handicapped individual' means any individual who has (A) a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment.

"(12) The term 'Hawaiian native' means any individual any of whose ancestors were natives, prior to 1778, of the area which now consists of the Hawaiian Islands.

"(13) The term 'health care' includes preventive and clinical medical treatment, family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services, to the extent any such treatment or services are necessary to enable the recipient of employment and training services to obtain or retain employment.

"(14) The terms 'institutions of higher education' and 'post-secondary institutions' mean those institutions defined as institutions of higher education in section 1201(a) of the Higher Education Act of 1965.

"(15)(A) Except as provided in subparagraph (B), the term 'local educational agencies' means agencies as defined in section 195(10) of the Vocational Education Act of 1963.

"(B) For purposes of subpart 3 of part A of title IV, such term means agencies as defined in section 1001(f) of the Elementary and Secondary Education Act of 1965, as amended by the Education Amendments of 1978.

"(16) The term 'low-income level' means $7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to $7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

"(17) The term 'lower living standard income level' means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based upon the most recent 'lower living family budget' issued by the Secretary.

"(18) The term 'offender' means any adult or juvenile who is or has been subject to any stage of the criminal justice process for whom employment and training services may be beneficial or who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

"(19) The term 'project' means, for the purpose of titles II and VI, a definable task or group of related tasks which will be completed within a definable period of time, has a public service objective, will result in a specific product or accomplishment, and would otherwise not be done with existing funds.

"(20) The term 'project applicants' includes States and agencies thereof, units of general local government and agencies thereof or combinations or associations of such governmental units when the primary purpose of such combinations or associations is to assist such governmental units to provide public services, special purpose political subdivisions having the power to levy taxes and spend funds or serving such special purpose within an area served by one or more units of general local government, local educational agencies, institutions of higher education, community-based organizations, community

development corporations, nonprofit groups and organizations serving Native Americans, and other private nonprofit organizations or institutions engaged in public service.

"*(21) The term 'public assistance' means Federal, State, or local government cash payments for which eligibility is determined by a need or income test.*

"*(22) The term 'public service' includes work, including part-time work, in such fields as environmental quality, health care, education, child care, public safety, crime prevention and control, prisoner rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, veterans outreach, and other fields of human betterment and community improvement.*

"*(23) The term 'recipient' means any person, organization, unit of government, corporation, or other entity receiving financial assistance under this Act whether directly from the Secretary, or through another recipient by subgrant, contract, subcontract, agreement, or otherwise.*

"*(24) The term 'Secretary' means the Secretary of Labor.*

"*(25) The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.*

"*(26) The term 'supportive services' means services which are designed to contribute to the employability of participants, enhance their employment opportunities, assist them in retaining employment and facilitate their movement into permanent employment not subsidized under the Act. Supportive services may include health care, and financial counseling and assistance.*

"*(27) The term 'underemployed persons' means—*

"*(A) persons who are working part time but seeking full-time work; or*

"*(B) persons who are working full time but receiving wages below the higher of either (i) the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget; or (ii) 70 percent of the lower living standard income level.*

"*(28) The term 'unemployed persons' means—*

"*(A) persons who are without jobs and who want and are available for work; or*

"*(B) except for purposes of allocation formulas—*

"*(i) in cases permitted by regulations of the Secretary, persons who are institutionalized in, or who have been released from a prison, hospital, or similar institution, or are clients of a sheltered workshop; or*

"*(ii) adults who receive, or whose families receive, supplemental security income or money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act or would, as defined in regulations to be issued by the Secretary, be eligible for such payments but for the fact that both parents are present in the home (I) who are determined by the Secretary of* ***Labor****, in*

> *consultation with the Secretary of Health, Education, and Welfare, to be available for work and (II) who are either persons without jobs, or persons working in jobs providing insufficient income to support their families without welfare assistance.*

The determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed, but such criteria shall not be applied differently on account of a person's previous employment.

"(29) The term 'unit of general local government' means any city, municipality, county, town, township, parish, village, or other general purpose political subdivision which has the power to levy taxes and spend funds, as well as general corporate and police powers.

"(30) The term 'veterans outreach' means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38, and the services described in section 305 of this Act.

"(31) The term 'Vietnam-era veterans' means those veterans defined in section 2011(2)(A) of title 38, United States Code, who are are under 35 years of age.

"TITLE I—ADMINISTRATIVE PROVISIONS

"PART A—ORGANIZATIONAL PROVISIONS

"PRIME SPONSORS

"SEC. 101 (a) A prime sponsor under this Act shall be—

"(1) a State;

"(2) a unit of general local government which has a population of 100,000 or more persons on the basis of the most satisfactory current data available to the Secretary;

"(3) any consortium of units of general local government which includes any unit of general local government qualifying under paragraph (2);

"(4) any unit of general local government or any consortium of such units without regard to population, which in exceptional circumstances, and after consultation with appropriate State and local officials, is determined by the Secretary—

> *"(A) (i) to serve a substantial portion of a functioning labor market area, or (ii) to be a rural area having a high level of unemployment; and*
>
> *"(B) to have demonstrated (i) that it has the capability for adequately carrying out programs under this Act, (ii) that there is a special need for services within the area to be served, and (iii) that it will carry out such programs and services in such area as effectively as any larger unit of general local government in the jurisdiction of which it is located or as the State;*

"(5) a limited number of existing concentrated employment program grantees serving rural areas having a high level of unemployment which the Secretary determines have special capabilities for

carrying out programs in such areas and are designated by the Secretary for that purpose; and

"(6) any unit of general local government previously designated as a prime sponsor under the provisions of this Act (as in effect prior to the effective date of the Comprehensive Employment and Training Act Amendments of 1978), regardless of a population decline below 100,000 persons, which the Secretary certifies has demonstrated its effectiveness in, and continues to have the capability for, adequately carrying out programs under this Act.

"(b)(1) A State shall not qualify as a prime sponsor for any geographical area within the jurisdiction of any prime sponsor described in paragraph (2), (3), (4), (5), or (6) of subsection (a) unless such prime sponsor has not submitted an approvable comprehensive employment and training plan for such area.

"(2) A larger unit of general local government shall not qualify as a prime sponsor with respect to the jurisdiction within its area of any smaller eligible unit of general local government unless such smaller unit has not submitted an approvable comprehensive employment and training plan for such area.

"(c) An applicant shall submit to the Secretary a notice of intent to be a prime sponsor for a fiscal year by such date as the Secretary shall prescribe. The Secretary shall designate as a prime sponsor any applicant submitting such a notice unless the Secretary determines that such applicant does not qualify under this section.

"(d) State prime sponsors shall, in coordination with units of general local government, make appropriate arrangements for appropriate area planning bodies to serve subareas within the State prime sponsor's area for the purpose of assisting in the effective planning and delivery of comprehensive employment and training programs in such subareas, in accordance with such regulations as the Secretary may prescribe.

"AUTHORITY OF SECRETARY TO PROVIDE SERVICES

"Sec. 102. In any area for which no prime sponsor has been designated or where the Secretary has taken an action under section 104 or section 106 which results in employment and training services not being provided in such area, the Secretary shall use funds allocated to such prime sponsor to make payments directly to public agencies or private nonprofit organizations as if the Secretary were the prime sponsor for that area.

"COMPREHENSIVE EMPLOYMENT AND TRAINING PLAN

"Sec. 103. (a) In order to receive financial assistance under this Act, a prime sponsor designated under section 101(c) shall submit to the Secretary a comprehensive employment and training plan. Such plan shall consist of a master plan and an annual plan. The master plan shall serve as the long-term charter under which the programs of such prime sponsor shall be operated. Such plan shall be sufficiently detailed to provide the Secretary and the prime sponsor with a thorough understanding of the economic conditions of the area and of the prime sponsor's long-term programmatic and administrative arrangements to ensure that each annual program is designed and implemented in a manner best suited to such conditions and in a manner consistent with the requirements of this Act. The formulation of such plan by the prime sponsor shall involve the active participation of the prime sponsor planning council, and such plan shall—

"(1) include (A) a detailed analysis of the area to be served, including geographic and demographic characteristics of significant segments of the population to be served (with data indicating the number of potential eligible participants and their income and employment status), and (B) a comprehensive labor market analysis and assessment of the economic conditions in the area, identifying the availability of employment and training in various public and private labor market sectors in such area and the potential for job growth in such sectors;

"(2) include a statement of the long-term goals of the prime sponsor for the improvement of such labor market and economic conditions;

"(3) include a detailed description of—

"(A) the methods and institutional arrangements which will be used to involve community based organizations, educational agencies, and other deliverers of services in the development and implementation of the programs assisted under this Act; and

"(B) the methods and criteria which will be used to select such deliverers of services from an inventory of potentially available deliverers of services (which have expressed an interest in writing) maintained by the prime sponsor as records accessible to the public;

"(4) include a detailed description if—

"(A) the prime sponsor's adminstrative arrangements, including the procedures to be used to supervise deliverers of service (including criteria for determining that a program has demonstrated effectiveness), to select and to place individuals on the administrative staff, to evaluate and audit the operation of such programs, and to process complaints and grievances;

"(B) the methods to be used to identify and place participants in such programs, the arrangements made with respect to providing such participants with job search assistance, counseling, and other services; and

"(C) the procedures for the selection of and the arrangements made with respect to consultation with the prime sponsor planning council, the youth council, and the private industry council;

"(5) include a description of arrangements to ensure that—

(A) employment and training services, including the development of job opportunities, will be provided to those most in need of them, including low-income persons, handicapped individuals, persons facing barriers to employment commonly experienced by older workers, and persons of limited English-speaking ability, and that the need for continued funding of programs of demonstrated effectiveness is taken into account in serving such groups and persons;

"(B) nondiscrimination and equal employment opportunities are provided; and

"(C) procedures are developed which will lead to skill development and job opportunities for participants in occupations traditionally limited to individuals of the opposite sex;

"(6) provide a description of appropriate arrangements with educational agencies serving youth, community-based organizations serving the poverty community which are not represented on the prime

sponsor planning council, and other special target groups, for their participation in the planning of programs included in the plan;

"(7) provide for utilizing those services and facilities which are available, with or without reimbursement, from Federal, State, and local agencies to the extent deemed appropriate by the prime sponsor after giving due consideration to the effectiveness of such existing services and facilities, including the State employment service, State vocational education and vocational rehabilitation agencies, State public assistance agencies, area skills centers, local educational agencies, postsecondary training and education institutions, community action agencies, other public agencies and community-based organizations, but nothing contained herein shall be construed to limit the utilization of services and facilities of private agencies, institutions, and organizations (such (as private business, labor organizations, and private educational and vocational institutions) which can, at comparable cost, provide substantially equivalent training or services;

"(8) provide (A) a description of arrangements for (i) the use of skills centers established under section 231 of the Manpower Development and Training Act of 1962, and (ii) the use of other public vocational education facilities in such area; (B) a description of arrangements to coordinate services for which financial assistance is provided under programs administered by the Secretary relating to employment and training and related services; and (C) a description of arrangements to promote maximum feasible use of apprenticeship or other on-the-job training opportunities available under section 1787 of title 38, United States Code;

"(9) provide for and include a description of arrangements made to ensure the participation of and consultation with local educational agencies, vocational education agencies, community-based organizations, Federal and State agencies, organized labor, business, and other institutions and organizations in the conduct of programs under this Act;

"(10) include a description of procedures for the consideration of any changes in the agreement required by this subsection or in the annual plan required under subsection (b), including review of such changes by the prime sponsor planning council;

"(11) include a detailed description of recordkeeping procedures (including books of account) for the expenditure of funds received under this Act which will allow the Secretary to audit and monitor the prime sponsor's programs, and will assure adequate supervision and monitoring of such programs by the prime sponsor, particularly with respect to the eligibility of participants and the propriety of participant selection procedures and practices;

"(12) include a detailed description of procedures for the monitoring and auditing of any subgrantees or subcontractors;

"(13) include a description of the methods and arrangements which will be used to ensure the fullest possible utilization, consistent with the education and training needs identified in the plan, of public vocational education facilities and programs, and of other facilities of local education agencies in the provision of instruction in basic cognitive skills and in the development and implementation of programs assisted under this Act;

"*(14) provide evidence that in the development of such plan there has been a continuing process of consultation with interested groups in the area not directly represented on the prime sponsor's planning council, including local advisory councils established under section 105(a) of the Vocational Education Act of 1963 and the private industry council established under section 704 of this Act, representatives of local education agencies, and representatives of postsecondary educational agencies;*

"*(15) include a description of the methods for coordination between the prime sponsor and the local State employment security agencies and delineate the specific responsibilities of each in the delivery of employment and training services for participants funded under this Act and under the Wagner-Peyser Act, with the goal of maximizing the level of coordination between the prime sponsor and the local employment security agency and minimizing duplication;*

"*(16) include a description of the procedures concerning academic credit developed in conjunction with the appropriate local educational agency or institution of higher education and approved by the appropriate State educational agency (including State agencies responsible for postsecondary education), or where a prime sponsor's area includes more than one local educational agency, developed in conjunction with, and approved by, the appropriate State educational agency;*

"*(17) include a description of recommendations of members of the prime sponsor's planning council which were not included in the plan, together with the reasons for rejecting them;*

"*(18) include a description of actions to ensure compliance with personnel procedures and collective bargaining agreements;*

"*(19) include a description of efforts to remove artificial barriers to employment;*

"*(20) include a description of plans and activities to coordinate, strengthen, and expand employment and training activities under this Act with economic development activities in the private sector; and*

"*(21) include adequate assurances of compliance with all provisions of this Act and regulations promulgated pursuant thereto;*

"*(b) To receive funds for any fiscal year, a prime sponsor shall submit an annual plan, which shall include—*

"*(1) a description of any significant changes from the information provided in the master plan;*

"*(2) a description of the eligible population identified by race, sex, national origin, and age, and the proposed activities and services for participants from these significant segments of the eligible population;*

"*(3) a description of sepcific services for individuals who are experiencing severe handicaps in obtaining employment, including individuals who lack credentials, require basic and remedial skill development, have limited English-speaking ability, are handicapped, are disabled or Vietnam-era veterans, are offenders, are displaced homemakers, are public assistance recipients, are 55 years of age or older, are youth, are single parents, are women, or are other individuals who the Secretary determines have particular disadvantages in the labor market;*

"(4) a description of the services to be provided, the prime sponsor's performance and placement goals (including such goals as may be established with respect to the gruops identified in paragraphs (2) and (3)), and the relationship of such goals to the Secretary's performance standards;

"(5) the proposed budget for the program year, including a detailed summary of the expenditures made during the preceding year, results achieved, and changes made in the annual plan for the program year;

"(6) a description of the relationship between job development and placement under this Act and other employment and training programs in the area served, and efforts made or which will be made to coordinate programs under this Act with such other programs;

"(7) a description of programs to orient and prepare the participants for their job responsibilities;

"(8) a description of efforts to be undertaken to involve the private sector;

"(9) a statement of any intention by the prime sponsor to apply for and utilize funds provided under this Act which are not allocated by formula; and

"(10) a description of wage rates or salaries and fringe benefits to be paid to persons emlpoyed in public service employment and a comparison with the wages or salaries and fringe benefits paid for similar public occupations by the same employer; levels of employment not supported under this Act; layoffs, and hiring and promotional freezes in each employing agency;

"(11) a description of the procedures which will be used to promote the objectives of section 121(a)(4), including the hiring, licensing, and contracting activities of the political units, subgrantees, and contractors of such prime sponsor;

"(12) the method for determining priorities for service under title II which shall be based on objective locally established criteria to assist the prime sponsor in assuring service to those most in need, such priorities shall be based on locally determined factors such as employment status, household status, level of employability development, handicap, veteran status, age, race, sex, or other criteria deemed viable by the prime sponsor;

"(13) a list of the specific contracts from the previous year with those institutions providing training programs, including information on the rate of positive placement for individuals who have completed such programs;

"(14) a summary of any evaluation conducted to the prime sponsor's programs during preceding program years and a description of any use made of such evaluation in the modification or alteration of the prime sponsor's program;

"(15) a description of an affirmative action program for outreach to and training, placement, and advancement of handicapped individuals in employment and training programs under this Act, including—

"(A) a description of the extent to which and the methods whereby the special needs of the handicapped are to be met; and

"(B) a description of the number of handicapped individuals who were served each of the preceding two years, the types of

training or employment in which they were placed, and the number of such individuals who were moved into unsubsidized employment; and

"(16) a copy of all agreements made pursuant to section 203(c).

"(c) The Secretary shall establish procedures for submittal, approval, and implementation of changes in the comprehensive employment and training plan, together with any reports required under this Act, not more than once each fiscal quarter.

"REVIEW OF PLANS

"SEC. 104. (a) Each prime sponsor shall, at least 45 days before submitting its master or annual plan to the Secretary—

"(1) transmit such plan, in order to allow at least 30 days of review and comment, to—

"(A) the Governor;

"(B) the State employment and training council;

"(C) the prime sponsor planning council and the private industry council;

"(D) appropriate units of general local government in its area; and

"(E) labor organizations in the area which represent employees engaged in work similar to that proposed to be funded;

"(2) make such plan available, in order to allow for at least thirty days of review and comment, to—

"(A) each House of the State legislature for appropriate referral;

"(B) appropriate community based organizations of demonstrated effectiveness in serving significant segments of the eligible population; and

"(C) designated educational agencies and institutions,

and give written notification of its availability; and

"(3) make such plan available to the general public through such means as public hearings, newspapers, bulletins, and other media, including publications that primarily serve significant segments of of the eligible population.

"(b) The prime sponsor shall consider any comments or recommendations received and shall transmit to the Secretary copies of the comments and recommendations of the Governor, the State employment and training council, and the prime sponsor planning council.

"(c)(1) The Secretary shall review each comprehensive employment and training plan to determine whether it is complete, whether it meets the requirements of this Act and the regulations promulgated under this Act and other applicable law, and whether, taking into account such factors as past performance and the recommendations made by the Governor, the State employment and training council, and the prime sponsor planning council, it is adequately designed to carry out an effective and well-administered program. The Secretary shall require the prime sponsor to take such action as the Secretary deems necessary to bring its plan and programs into conformance with the Act and the regulations promulgated under this Act or to improve the administration and effectiveness of its programs. If it is determined that such action is made necessary as a result of the Secretary's review of recommendations submitted by the Governor, the State employment and training council, or the prime sponsor

planning council, the Secretary shall request an explanation of why the prime sponsor rejected such recommendations.

"(2) The Secretary shall, prior to approval of any plan, require the inclusion in such plan of specific management and accounting procedures to assure adequate supervision and monitoring of the programs to be conducted pursuant to such plan; and shall require the adoption of specific procedures (such as accrual accounting procedures) where necessary for such purpose.

"(3) The Secretary shall, prior to approval of any plan, ensure that the prime sponsor has demonstrated a recognizable and proven method verifying eligibility of all participants. The Secretary may require modification or the adoption of specific procedures where necessary for such purposes. The Secretary shall also develop recognizable penalties and inform the prime sponsors of such penalties to be applied upon a finding of the ineligibility of any participant. In reviewing such plans, the Secretary shall insure that the plans adequately describe, and the prime sponsor demonstrates a thorough understanding of, labor market and economic conditions in the area served, that the plan is reasonably designed to respond to such conditions, that the administrative arrangements and procedures are adequate for the performance of the program and will insure that professional standards of management will be attained, and that the plans provide for adequate relationships with existing community efforts and maximize the use of existing resources.

"(4) The Secretary may disapprove all or any portion of a plan if he finds that the use of funds for a particular subcontract or subgrant provided within that portion of the plan would be grossly inefficient or fail to carry out the purposes of this Act.

"(d)(1) The Secretary shall disapprove any plan that does not fully satisfy the review under subsection (c), after a reasonable opportunity, but not less than 30 days, has been given to the prime sponsor to remedy any defect found in the plan and the prime sponsor has failed to do so.

"(2) Whenever the Secretary disapproves a plan he shall transmit a notice of disapproval to the prime sponsor and the Governor, accompanied by a statement of reason for the disapproval. The Secretary shall not disapprove a plan without first affording an opportunity for a hearing to the prime sponsor.

"(e)(1) The Secretary shall, not later than March 31 of the fiscal year preceding the fiscal year for which an annual plan is to take effect, establish a date for the submission of such annual plan. The Secretary shall made available to each prime sponsor a complete and final set of all applicable regulations and necessary application materials no later than May 15 of the fiscal year preceding the fiscal year for which such plan is to take effect. With respect to funds allocated under this Act on the basis of a formula, the Secretary shall also provide prime sponsors with a preliminary planning estimate based on the amounts available in the budget of the President or in the most recent concurrent budget resolution under the Congressional Budget Act applicable to such year. If for any reason the Secretary cannot provide a complete and final set of all applicable regulations and necessary application materials by such May 15 prior to the date established under the first sentence of this subsection, the Secretary shall extend the date for submittal of such plan to allow the prime sponsor to review such regulations and to complete such materials prior to submittal.

"(2) During the period of time between May 15 and the date for submittal of the plan, the Secretary shall not issue any regulations or guidelines or interpretations thereof that require any change in the prime sponsor's plan, which is a condition for the Secretary's approval or disapproval of the plan. If the Secretary deems that a plan change is required during this period, the Secrteary shall allow at least one fiscal quarter for the prime sponsor to submit such change, except that the sponsor may at its own discretion submit the required change as part of its plan submittal under paragraph (1).

"GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN

"SEC. 105 (a) Any State seeking financial assistance under this Act shall submit a Governor's coordination and special services plan to the Secretary.

"(b) Governor's coordination and special services activities shall include the following—

"(1) coordinating all employment and training, education, and related services provided by the State, by prime sponsors, by State education agencies and other appropriate institutions of vocational and higher education, State and local public assistance agencies, and by other providers of such services within the State;

"(2) coordinating programs financed under the Wagner-Peyser Act and this Act, including assisting in the negotiation of any agreements (including partnership arrangements described in section 308) between prime sponsors and State employment security agencies;

"(3) assuring that comprehensive employment and training plans do not unnecessarily result in the duplication of services;

"(4) assisting the Secretary in enforcing the requirements for Federal contractors and subcontractors to list all suitable employment openings with local offices of the State employment service agencies and to take affirmative action, as required in section 2012(a) of title 38, United States Code;

"(5) assuring the promotion of prime sponsor planning that takes into account conditions prevailing in labor market areas covering more than one prime sponsor area, as well as related activities such as community development, economic development, vocational education, vocational rehabilitation, and social services;

"(6) exchanging of information between States and prime sponsors with respect to State, interstate, and regional planning for economic development, human resource development, education, and other subjects relevant to employment and training planning;

"(7) developing and providing to prime sponsors information on a State and local area basis regarding economic, industrial, and labor market conditions;

"(8) making available to prime sponsors, with or without reimbursement and upon request, appropriate information and technical assistance to assist them in developing and implementing their programs;

"(9) carrying out special model training and employment programs and related services, which may include programs for offenders similar to programs described in section 301(b)(2);

"(10) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

"(11) providing labor market and occupational information to prime sponsors and appropriate educational agencies and institutions without reimbursement; and

"(12) facilitating and fostering the activities of the State Occupational Information Coordinating Committee established pursuant to section 161(b)(2) of the Vocational Education Act of 1963, with special emphasis on the systematic use of occupational information for prime sponsor planning as well as assisting and encouraging the development and use of career outlook information for individuals who are receiving rehabilitation services, students in local schools, and individuals using the services of prime sponsors and local offices of State employment security agencies.

"(c) A Governor's coordination and special services plan shall be approved by the Secretary only if the Secretary determines that the plan satisfactorily implements subsection (b).

"COMPLAINTS AND SANCTIONS

"SEC. 106. (a)(1) Except for complaints subject to the provision of paragraph (2), each prime sponsor receiving financial assistance under this Act or contractor or grantee under title III shall establish and maintain a grievance procedure, including provision for hearings within 30 days after the filing of a grievance, and for handling complaints about the program arising from its participants, subgrantees, contractors, and other interested persons. Hearings under such procedure shall be conducted expeditiously and decisions shall be made not later than 60 days after the filing of the grievance involved. With the exception of grievances alleging fraud or any criminal activity, the filing of a grievance must be made within one year of the alleged occurrence.

"(2) Whenever the recipient of financial assistance under this Act is an employer and the participant is an employee of that employer, the recipient shall continue to operate or shall establish and maintain a grievance procedure relating to the terms and conditions of employment.

"(b) Whenever the Secretary receives a complaint from any interested person or organization (which has exhausted the prime sponsor's grievance system under subsection (a)(1) or which has exhausted or failed to achieve resolution of the grievance under the recipient's grievance system under subsection (a)(2) or under a collective bargaining agreement within the time limits prescribed in subsection (a)(1) or in such agreement) which alleges, or whenever the Secretary has reason to believe (because of an audit, report, on-site review, or otherwise) that a recipient of financial assistance under this Act is failing to comply with the requirements of this Act, the regulations under this Act, or the terms of the comprehensive employment and training plan, the Secretary shall investigate the matter. The Secretary shall conduct such investigation, and make the final determination required by the following sentence regarding the truth of the allegation or belief involved, not later than 120 days after receiving the complaint. If, after such investigation, the Secretary determines that there is substantial evidence to support such allegation or belief that such a recipient is failing to comply with such requirements, the Secretary shall, after due notice and opportunity for a hearing to such recipient, determine whether such allegation or belief is true.

"(c)(1) The Secretary shall revoke all or any part of a prime sponsor's comprehensive employment and training plan and terminate financial

assistance thereunder, if prior notice and opportunity for a hearing have been given, when the Secretary determines that the prime sponsor is maintaining a pattern or practice of discrimination in violation of section 132.

"(2) The Secretary shall have the authority to revoke a prime sponsor's comprehensive employment and training plan and terminate financial assistance thereunder, if prior notice and opportunity for a hearing have been given, when the Secretary determines that the prime sponsor is—

"(A) failing to make opportunities available equitably among the significant segments of the eligible population in the area it serves;

"(B) failing to provide participants with employment or training opportunities at levels of skill and remuneration that are commensurate with their capabilities or potential capabilities;

"(C) failing to give due consideration to the eligible population in areas of chronic or concentrated unemployment;

"(D) failing to give due consideration to funding of programs of demonstrated effectiveness;

"(E) incurring unreasonable administrative costs in the conduct of activities and programs, as determined by the Secretary pursuant to regulations under this Act;

"(F) materially failing to expend funds in a reasonable period of time; or

"(G) otherwise materially failing to carry out the purposes and provisions of this Act or the regulations promulgated pursuant to this Act.

"(d)(1) If the Secretary concludes that any recipient of funds under this Act is failing to comply with any provision of this Act or the regulations under this Act or that the recipient has not taken appropriate actiony against its subcontractors, subgrantees, and other recipients, the Secretar shall have authority to terminate or suspend financial assistance in whole or in part and order such sanctions or corrective actions as are appropriate, including the repayment of misspent funds from sources other than funds under this Act and the withholding of future funding, if prior notice and an opportunity for a hearing have been given to the recipient. Whenever the Secretary orders termination or suspension of financial assistance to a subgrantee or subcontractor (including operators under a nonfinancial agreement), the Secretary shall have authority to take whatever action is necessary to enforce such order, including action directly against the subgrantee or subcontractor, and an order to the primary recipient that it take such legal action, to reclaim misspent funds or to otherwise protect the integrity of the funds or ensure the proper operation of the program.

"(2) If the Secretary concludes that a public service employment program is being conducted in violation of section 121(e)(2), (e)(3), (g)(1), section 122(c), (e), or section 123(g) or regulations promulgated pursuant to such sections, the Secretary shall, pursuant to paragraph (1) of this subsection, terminate or suspend financial assistance in whole or in part, order the repayment of misspent funds from sources other than funds under this Act or other funds used in connection with programs funded under this Act (unless, in view of special circumstances as demonstrated by the recipient, the Secretary determines that requiring repayment would not serve the purposes of attaining compliance with such sections), and order such other sanctions or corrective actions as are appropriate.

"(e) In emergency situations, as determined by the Secretary, when it is necessary to protect the integrity of the funds or ensure the proper opera-

tion of the program, the Secretary may immediately terminate or suspend financial assistance in whole or in part, provided that prompt notice and opportunity for a subsequent hearing within 30 days after such termination or suspension, are given to the recipient. The Secretary shall not delegate any of the functions or authority specified in this subsection other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

"(f) If the Secretary determines that any recipient under this Act has—

"(1) discharged or in any other manner discriminated against a participant or against any person in connection with the administration of the program involved or against any person because such person has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding or investigation under or related to this Act, or otherwise unlawfully denied to any person a benefit to which that person is entitled under the provisions of this Act of the Secretary's regulations, or

"(2) discriminated against any person, failed to serve equitably significant segments of the eligible population, or failed to provide employment or training opportunities at levels of skill and remuneration that are commensurate with the participant's capabilities or potential capabilities;

the Secretary shall, within 30 days, take such action or order such correctives measures, as necessary, with respect to the recipient or the aggrieved person, or both.

"(g) The Secretary may withhold funds otherwise payable under this Act in order to recover any amounts expended in any fiscal year in violation of any provision of this Act, any regulation promulgated pursuant to this Act, or any term or condition of assistance under this Act. In the event of any such withholding which results from fraud or abuse, the Secretary may order the prime sponsor to conduct the program as specified in the applicable plan on the basis of funds other than funds under this Act and may enforce such order by appropriate civil action, unless the prime sponsor elects to terminate participation as a grantee under this Act.

"(g) With the consent and consideration of State agencies charged with the administration of State laws, the Secretary shall be authorized, for the purpose of carrying out this section and section 133, to utilize the services of State and local agencies and their employees. Notwithstanding any other provision of law, the Secretary is authorized to reimburse, in whole or in part, such State and local agencies and their employees for services rendered for such purposes.

"(i)(1) Except as otherwise provided in subsection (e), the Secretary shall not revoke a prime sponsor's plan, in whole or in part, nor institute corrective action or sanctions against a prime sponsor under this section or any other provision of this Act, without first providing the prime sponsor with notice by the Secretary of his intended actions and the reasons upon which those intended actions are based, and also providing the prime sponsor—

"(A) with an opportunity to informally resolve those matters contained in the Secretary's notice; and

"(B) in the event that the prime sponsor and the Secretary cannot informally resolve any matter pursuant to clause (A), with a notice

that (i) indicates that efforts to informally resolve matters contained in the Secretary's original notice have been unsuccessful; (ii) lists those matters upon which the parties continue to disagree; and (iii) informs the prime sponsor of any sanctions, corrective action, or any other alteration or modification of the prime sponsor's plan or program intended by the Secretary.

"(2) Within 10 days of receipt of the Secretary's notice under paragraph (1)(B), the prime sponsor may request a hearing, but in no event shall the Secretary proceed under this Act without first fulfilling all the requirements under this subsection.

"(j) In order to ensure compliance with the provisions of this Act and regulations promulgated under this Act and to ensure conduct of programs in a manner consistent with the purposes and objectivees of this Act, the Secretary may require prime sponsors to participate in unified audit programs established by the Secretary to provide for the audit of both prime sponsors and their respectivie subgrantees and subcontractors. In any such case the Secretary may require the prime sponsor to pay, from funds under this Act available to it for administrative expenses, that portion of the unified audit expenses allocable to the audit of such subgrantees and subcontractors.

"(k) Nothing in this section shall be deemed to reduce the responsibility and full liability of the prime sponsors and other recipients which receive funds directly from the Secretary.

"(l) The existence of remedies under this section shall not preclude any person, who alleges that an action of a prime sponsor or of any other recipient violates any of the provisions of the Act or the regulations promulgated under the Act, from instituting a civil action or pursuing any other remedies authorized under Federal, State, or local law.

"JUDICIAL REVIEW

"SEC. 107. (a) If any prime sponsor is dissatisfied with the Secretary's final action with respect to the disapproval of its comprehensive employment and training plan under section 104, or if any recipient is dissatisfied with the Secretary's final action with respect to a sanction under section 106, or if any interested person is dissatisfied with or aggrieved by any final action of the Secretary authorized under section 106, such prime sponsor, recipient, or person may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which the prime sponsor, recipient, or person resides or transacts business a petition for review of such action.

"(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may, in whole or in part, set aside the findings of the Secretary or remand the case to the Secretary in whole or in part to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify the previous action, and shall certify to the court the record of the further proceedings.

"REALLOCATION

"SEC. 108. (a) The Secretary is authorized to reallocate any amount of any allocation under this Act to the extent that the Secretary determines that the recipient will not be able to use such amount within a reasonable period of time.

"(b)(1) Any allocations to a prime sponsor designated under section 101(c) may be reallocated only if the Secretary has provided 30 days advance notice to the prime sponsor, to the Governor, and to the general public. During such period comments may be submitted to the Secretary.

"(2) After considering any comments submitted during such period, the Secretary shall notify the Governor and the affected prime sponsor of any decision to reallocate funds, and shall publish such decision in the Federal Register.

"(3) In reallocating any such funds, the Secretary shall give priority first to other prime sponsor areas within the same State and then to prime sponsor areas within other States.

"PRIME SPONSOR'S PLANNING COUNCIL

"SEC. 109. (a) Each prime sponsor designated under section 101(c) shall eatablish a planning council.

"(b) Each planning council established under subsection (a) shall consist of members who are representative of the eligible population (including significant segments thereof), organized labor, employees who are not represented by organized labor, community-based organizations, the employment service, veterans organizations, representatives of handicapped individuals, vocational education agencies, public assistance agencies, other education and training agencies and institutions, business, labor, and, where appropriate agricultural employers and workers.

"(c) The prime sponsor shall appoint the members of the planning council, designate a public member as chairperson and furnish staff to provide professional, technical, and clerical assistance to the council.

"(d) The planning council shall meet no less than 5 times per year. The meetings shall be publicly announced, and, to the extent appropriate, open to and accessible to the general public.

"(e) The council shall (1) participate in the development of, and submit recommendations regarding, the prime sponsor's comprehensive employment and training plan and the basic goals, policies, and procedures of the prime sponsor's programs and of other employment and training programs in the prime sponsor's area; (2) monitor, and provide for objective evaluation of, employment and training programs conducted in such area; (3) provide for continuing analyses of the need for employment, training, and related services in such area, including efforts to reduce and eliminate artificial barriers to employment. Special consideration shall be given to the recommendations of the planning council, but any final decision with respect to such recommendations shall be made by the prime sponsor.

"(f) The planning council shall take into consideration any comments and recommendations of the private industry council in the development of the comprehensive employment and training plan.

"STATE EMPLOYMENT AND TRAINING COUNCIL

"SEC. 110. (a)(1) Any State which desires to receive financial assistance under this Act shall establish a State employment and training council (hereinafter in this section referred to as the 'council'). Funding for the council shall be provided pursuant to section 202(c).

"(2) The council shall be appointed by the Governor, who shall designate one public member thereof to be chairperson. The Governor shall furnish staff to provide professional, technical, and clerical assistance to the council.

23

"(3) The council shall be composed of—

"(A) representatives of the units or combinations of units of general local government in such State, including those which are prime sponsors, who together shall comprise at least one-quarter of the membership of the council and shall be nominated by the chief executive officers of the units or combinations of units of general local government;

"B) representatives of organized labor, business, and agricultural employers and workers, who together shall comprise one-quarter of the membership of the council;

"(C) representatives of the eligible population (including significant segments thereof) and of the general public, who together shall comprise one-quarter of the membership of the council; and

"(D) representatives of service deliverers, who together shall comprise not more than one-quarter of the membership of the council, including at least—

"(i) one representative each of the State board of vocaational education and the public employment service of such State;

"(ii) one representative of the State Advisory Council on Vocational Education created pursuant to section 105 of the Vocational Education Act of 1963;

"(iii) one representative of the State public assistance agency;

"(iv) one representative of each such other State agency as the Governor may determine to have a direct interest in overall employment and training and human resource utilization within the State;

"(v) representatives of community-based organizations;

"(vi) representatives of veterans organizations; and

"(vii) representatives of handicapped individuals.

"(4) The council shall meet at such times (but at least 5 times each year) and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

"(b) The council shall—

"(1)review continuously the operation of programs conducted by each prime sponsor, and the availability, responsiveness, and adequacy of State services, and make recommendations to the prime sponsors, to agencies providing employment and training services, to the Governor, and to the general public with respect to ways to improve the effectiveness of such programs or services;

"(2) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or documents as it deems advisable to assist prime sponsors or to otherwise help carry out the purposes of this Act;

"(3)(A) identify, in coordination with the State Advisory Council on Vocational Education, the employment and training and vocational education needs of the State and assess the extent to which employment and training, vocational education, vocational rehabilitation, public assistance, and other programs assisted under this and related Acts representing a consistent, integrated, and coordinated approach to meeting such needs; and

"(B) comment at least once annually on the reports of the State Advisory Council on Vocational Education, which comments shall *be included in the annual report submitted by that Council pursuant to section 105 of the Vocational Education Act of 1963,*

"(4) review the comprehensive employment and training plans of prime sponsors pursuant to section 104, especially with respect to nonutilization or duplication of existing services,

"(5) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State agencies and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State, and

"(6) participate in the development of the Governor's coordination and special services plan.

"CONSULTATION

"Sec. 111. (a) The Secretary shall consult with the Secretary of Health, Education, and Welfare, with respect to arrangements for services of a health, education, or welfare character under this Act, and the Secretary of Health, Education, and Welfare shall solicit the advice and comments of appropriate State agencies with respects to health, education, and welfare services. Such services shall include basic or general education, educational programs conducted for offenders; institutional training; health care, child care, and other supportive services; and new careers and job restructuring in the health, education, and welfare professions.

"(b) The Secretary, in carrying out or supporting programs under this Act, shall consult, as appropriate, with the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Director of the ACTION Agency, the Director of the Community Services Administration, the Administrator of Veterans Affairs, and such other officials as appropriate.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 112. (a)(1) There are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title I.

"(2)(A) There are authorized to be appropriated $2,000,000,000 for fiscal year 1979 to carry out parts A, B, and C of title II.

"(B) There are authorized to be appropriated $3,000,000,000 for fiscal year 1979 to carry out part D of title II.

"(C) Subject to subsection (b)(1), there are authorized to be appropriated such sums as may be necessary for fiscal year 1980 and for each of the two succeeding fiscal years to carry out parts A, B, C, and D of title II.

"(3) Subject to subsection (b)(2), there are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title III.

"(4)(A) There are authorized to be appropriated $2,250,000,000 for fiscal year 1979 to carry out title IV.

"(B) There are authorized to be appropriated $2,400,000,000 for fiscal year 1980 to carry out title IV.

"(C) There are authorized to be appropriated such sums as may be necessary for fiscal year 1981 and for the succeeding fiscal year to carry out parts B and C of title IV.

"(5) There are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title V.

"(6) There are authorized to be appropriated for fiscal year 1979 and for each of the three succeeding fiscal years the amount determined pursuant to section 602 to carry out title VI.

"(7)(A) There are authorized to be appropriated $500,000,000 for fiscal year 1979 to carry out title VII.

"(B) There are authorized to be appropriated $525,000,000 for fiscal year 1980 to carry out title VII.

"(8)(A) There are authorized to be appropriated $350,000,000 for fiscal year 1979 to carry out title VIII.

"(B) There are authorized to be appropriated $400,000,000 for fiscal year 1980 to carry out title VIII.

"(C) There are authorized to be appropriated such sums as may be necessary for fiscal year 1981 and for the succeeding fiscal year to carry out title VIII.

"(b)(1) Of the amount appropriated to carry out title II for fiscal years 1980, 1981, and 1982, the amount which shall be avialable for part D of such title for a fiscal year shall not exceed 60 percent of the total amount appropriated for such title for such fiscal year.

"(2) Of the amount appropriated to carry out this Act for any fiscal year, not more than 20 percent of such amount (excluding any amount made available for carrying out part D of title II and title VI) shall be available for carrying out the provisions of title III. From such amount made available for title III activities, the Secretary shall transfer an amount which shall be not less than $3,000,000 and not more than $5,000,000 for any fiscal year to the National Occupational Information Coordinating Committee established pursuant to section 161(b) of the Vocational Education Act of 1963 for purposes described in section 315 of this Act.

"(c) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds appropriated to carry out this Act, which are not obligated prior to the end of the fiscal year for which such funds were appropriated, shall remain available for obligation during the succeeding fiscal year, and any funds obligated in any fiscal year may be expended during a period of 2 years from the date of obligation.

"(d)(1) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are first available for obligation.

"(2) In order to effect a transition to the advance funding method of timing appropriation action, the provisions of this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"PART B—GENERAL PROVISIONS

"CONDITIONS APPLICABLE TO ALL PROGRAMS

"SEC. 121. Except as otherwise provided, the following conditions are applicable to all programs under this Act:

"(a)(1) No person shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

"(2) Participants shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

"(3) Every participant, prior to entering upon employment or taining, shall be informed of that individual's rights and benefits in connection with such employment or training; acceptance of family planning services shall be voluntary on the part of the individual, and shall not be a prerequisite to eligibility for, or receipt of, any benefit under the program.

"(4) Programs shall contribute, to the maximum extent feasible, to the elimination of artificial barriers to employment and occupational advancement.

"(5) Prime sponsors shall make efforts to remove architectural barriers to employment of the handicapped.

"(b)(1)(A) Employment and training opportunities for participants shall be made available by prime sponsors on an equitable basis in accordance with the purposes of this Act among significant segments of the eligible population giving consideration to the relative numbers of eligible persons in each such segment.

"(B) In the administration of programs under his Act, members of the eligible population to be served shall be provided maximum employment opportunities, including opportunities for further occupational training and career advancement. Prime sponsors shall make special efforts to recruit and hire qualified persons reflecting the significant demographic segments of the population residing in the area.

"(2)(A) The Secretary shall take appropriate steps to provide for the increased participation of qualified disabled and Vietnam-era veterans (with special emphasis on those who served in the Armed Forces in the Indochina Theatre on or after August 5, 1964, and on or before May 7, 1975) in public service employment programs and job training opportunities supported under this Act, but nothing in this Act shall authorize the Secretary to establish a hiring or participation goal for such veterans. In carrying out this paragraph, the Secretary shall consult with and solicit the cooperation of the Administrator of Veterans' Affairs. Such steps shall include employment, training, supportive services, technical assistance and training, support for community based veterans programs, and maintenance and expansion of private sector veterans employment and training initiatives and such other programs or initiatives as are necessary to serve the unique readjustment, rehabilitation, and employment needs of veterans.

"(B) Special efforts shall be made to acquaint such veterans with the employment and training opportunities available under this Act, and to coordinate efforts in behalf of such veterans with those activities authorized

by chapter 41 of title 38, United States Code (relating to job counseling and employment services for veterans), and other similar activities carried out by other public agencies or organizations.

"(C) Prime sponsors shall provide such arrangements as may be appropriate to promote maximum feasible use of apprenticeship or other on-the-job training opportunities available under section 1787 of title 38, United States Code.

"(c)(1) All persons participating in training under this Act shall receive allowances pursuant to section 124; no participant may receive allowances from funds under this Act for institutional or classroom training for more than 104 weeks in a 5-year period.

"(2) Subject to section 212(b), no individual shall participate in programs receiving financial assistance under this Act for longer than a total of thirty months in any five-year period. For purposes of this subparagraph, no period of participation prior to October 1, 1978, shall be included in the computation of such thirty months.

"(d)(1) Conditions of employment and training shall be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant.

"(2) Appropriate health, safety and other standards for work and training shall be established and maintained.

"(3) Household support obligations shall be taken into account, and special consideration shall be given alternative working arrangements such as flexible hours of work, work-sharing arrangements, and part-time jobs, particularly for parents of young children and for older persons.

"(4) All programs for in-school youth shall be consistent with applicable State educational standards.

"(5) Appropriate workers' compensation or equivalent protection shall be provided to all participants.

"(e)(1) The program shall result in an increase in employment and training opportunities over those opportunities which would otherwise be available.

"(2) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

"(3) No program shall impair existing contracts for services.

"(4) No funds shall be used to assist in relocating establishments, or parts thereof, from one area to another or locating new branches, subsidiaries, or affiliates unless the Secretary determines that such relocation or location will not result in an increase in unemployment in the area of original location or in any other area.

"(f)(1) All programs, to the maximum extent feasible, shall contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping (including procedures which will lead to skill development and job opportunities for participants in occupations traditionally limited to the opposite sex).

"(2) No person shall be trained for an occupation which requires less than two weeks of preemployment training unless there are immediate employment opportunities available in that occupation.

"(3) All programs shall be designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling participants to increase their earned income and to become economically self-sufficient.

"(4) No person shall be referred for training unless there is a reasonable expectation of employment in the occupation for which such person is being trained. To the extent feasible, public service obs shall be provided in occupational fields which are most likely to expand within the public or private sector.

"(5) Programs of institutional training shall be designed for occupations in which skill shortages exist.

"(g)(1)(A) No program shall substitute funds under this Act for other funds in connection with work that would otherwise be performed.

"(B) Jobs shall be created that are in addition to those that would be funded in the absence of assistance under this Act.

"(C) Funds shall be used to supplement, and not to supplant, the level of funds that would otherwise be made available from non-Federal sources for the planning and administration of programs.

"(2) Programs shall use services and facilities available (with or without reimbursement) from Federal, State, and local agencies to the extent they are deemed effective by the prime sponsor.

"(h)(1) No nongovernmental individual, institution, or organization shall be paid funds provided under this Act to conduct an evaluation of any program under this Act if such individual, institution or organization is associated with that program as a consultant or technical advisor, or in any similar capacity.

"(2) No member of any council under this Act shall cast a vote on any matter which has a direct bearing on services to be provided by that member (or any organization which that member directly represents) or vote on any matter which would financially benefit the member or the organization which the member represents.

"(i) Except as provided in section 212(b), work experience programs conducted under this Act shall not exceed a total of 1,000 hours for any individual (other than an in-school youth), for any year, and not more than 2,000 hours within a 5-year period beginning on the effective date of the Comprehensive Employment and Training Act Amendments of 1978. Work experience shall only be for persons who need assistance in becoming accustomed to basic work requirements, including basic work skills, in order to be able to compete successfully in the labor market.

"(j) Funds available for employment benefits under this Act may be used, for the duration of participation, for contributions on behalf of participants who are, prior to July 1, 1979, enrolled in retirement systems or plans. With respect to participants enrolled in retirement systems or plans on or after such date, except as otherwise provided in regulations promulgated by the Secretary, no funds under this Act may be used for contributions to retirement systems or plans unless such contributions bear a reasonable relationship to the cost of providing benefits to participants. Such regulations shall take into consideration circumstances where efforts are being made to change State or local laws or both affecting retirement coverage for individuals who are participants in activities funded pursuant to this Act. Pursuant to section 314 of this Act, the Secretary shall provide technical assistance to recipients to enable retirement systems or plans to comply with section 122(k) and this subsection.

"(k) Small and minority-owned businesses shall be provided maximum reasonable opportunity to compete for contracts for supplies and services including, where appropriate, the use of set-asides.

"(l) The Secretary shall promulgate regulations to insure that payments to employers organized for profit shall not exceed the difference between the costs of recruiting, training, and supportive services and the costs of lower productivity associated with employing an individual who lacks the requisite skills to perform the job in which the individual is placed and such costs for those otherwise employed. The length of time for which such payments may be made shall not exceed that period of time generally required for the acquisition of skills needed for a position within a particular occupation.

"(m) Prime sponsors shall provide, where employment opportunities already exist or where there is a reasonable expectation of near-term expansion of such employment potential, employment and training opportunities in the development and use of solar, geothermal, hydroelectic, and other alternative energy technologies, and conservation, expecially those clean, safe, renewable resources which may assist communities in resolving energy demand problems, thereby reducing their reliance on conventional nonrenewable fuels. For purposes of this section, solar energy sources has the meaning set forth in section 3 of the Solar Energy Research, Development and Demonstration Act of 1974.

"(n)(1) No prime sponsor may use any funds received under this Act to assist or promote union organizing. Without limiting the powers otherwise granted to the Secretary, funds found by the Secretary to be in violation of this subsection shall be refunded promptly to the United States Treasury.

"(2) No individual may be required to join a union as a condition of enrolling in a program assisted under this Act in which only institutional training is provided, unless such institutional training involves individuals employed under a collective-bargaining agreement which contains a union security provision.

"(o) No funds provided under this Act shall be paid to any nongovernmental organization, association, firm or other entity for the conduct of any program or activity (other than under title VII or on-the-job training) under this Act unless—

"(1) such organization, association, firm or other entity has a meritorious written plan which has been reviewed and evaluated by the prime sponsor or, where appropriate, the Secretary, according to standards promulgated by the Secretary and is found to meet the purposes and requirements of the Act; and

"(2) such organization, association, firm or other entity is selected on the basis of merit which shall mean at least that such organization, association, firm or other entity—

"(A) has the administrative capability to perform effectively under the program;

"(B) has submitted a written plan under paragraph (1) that compares favorably to other plans; and

"(C) has not been seriously deficient in its conduct of or participation in any Department of Labor program in the past, or, is not a successor organization to one that was seriously deficient in the past, unless the Secretary in his discretion certifies after a clear, convincing, and detailed showing, that the deficiencies will be eliminated and performances substantially improved; and

"(3) a comprehensive and independent monitoring program designed to insure compliance with the plan and this Act is in effect in accordance with standards promulgated by the Secretary requiring adequate training of monitors and procedures for the prompt follow up of problems found during the monitoring process.

The Secretary shall issue regulations to achieve the objectives of this subsection for title VII and on-the-job training programs with a minimum of burden on recipients.

"(p) No recipient shall knowingly use any funds under this Act to enroll or serve any person who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment.

"(q) Each prime sponsor receiving funds under this Act shall establish an independent unit to monitor compliance with the requirements of this Act, the regulations issued thereunder, and the comprehensive employment and training plan. The Secretary shall annually assess the effectiveness of the units established pursuant to the preceding sentence, with particular regard to the adequacy of provisions made for funding, staffing, and insuring the independence and objectivity of monitoring practices and methods.

"SPECIAL CONDITIONS APPLICABLE TO PUBLIC SERVICE EMPLOYMENT

"SEC. 122. Except as otherwise provided, the following conditions shall apply to all public service employment programs receiving financial assistance under this Act:

"(a) Only persons residing within the area qualifying for assistance shall be employed, and the public services provided by such jobs, to the extent feasible, shall be designed to benefit the residents of such area.

"(b)(1)(A) Public service employment under this Act is intended for eligible persons who are the most severely disadvantaged in terms of their length of unemployment and their prospects for finding employment.

"(B) Special consideration in filling public service jobs shall be given to eligible persons who are public assistance recipients or who are eligible for public assistance but not receiving such assistance.

"(2) Special consideration shall be given to eligible disabled and Vietnam-era veterans (with special emphasis on those who served in the Indochina Theatre on or after August 5, 1964, and on or before May 7, 1975) in accordance with procedures established by the Secretary, and special attention shall be given to the development of jobs which will utilize, to the maximum extent feasible, the skills which such veterans acquired in connection with their military training and service.

"(3)(A) Special emphasis in filling public service jobs shall be given to eligible members of groups specifically identified in section 301(a) as facing particular labor market disadvantages, taking into account the household support obligations of persons applying for such jobs, but nothing in this Act shall authorize the Secretary to establish hiring or participation goals for such persons.

"(B) Special efforts shall be made to acquaint such persons with the employment and training opportunities available under this Act, and to coordinate efforts in behalf of such persons with activities authorized by section 301.

"(c)(1) No person shall be employed or job opening filled (A) when any other person not supported under this Act is on layoff from the same *or any substantially equivalent job, or (B) when the employer has terminated the employment of any regular employee not supported under this Act or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a public service employee.*

"(2) No funds for public service employment programs under this Act may be used to provide public services, through a private organization or institution, which are customarily provided by a State, a political subdivision, or a local educational agency in the area served by the program.

"(d) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of persons currently employed in jobs subsidized under this Act.

"(e) No public service jobs shall be substituted for existing federally assisted jobs.

"(f) The Secretary shall assure that prime sponsors have undertaken, or will undertake, analyses and reevaluations of job descriptions and, where feasible, revisions of qualification requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations prescribed by the Secretary, with a view toward removing artificial barriers to public employment (as defined in section 3) of those whom it is the purpose of this Act to assist.

"(g) Financial records relating to public service employment programs, and records of the names, addresses, positions, and salaries of all persons employed in public service jobs, shall be maintained and made available to the public.

"(h)(1) All persons participating in public service employment shall receive wages in accordance with section 124.

"(2) No participant may be paid wages from funds under this Act for public service employment for more than 78 weeks in a 5-year period.

"(3) For purposes of subparagraph (2), no more than 26 weeks of public service employment financed in whole or in part under this Act prior to October 1, 1978 shall be considered as part of the 78 weeks.

"(4)(A) The Secretary may waive the provisions of paragraph (2) or of section 121(c)(2) to provide a temporary extension of time for a limited number of persons who were originally hired in a public service employment program prior to October 1, 1978, and who continue to be so employed on September 30, 1979, in the case of a prime sponsor which the Secretary determines has faced unusually severe hardships in its efforts to transition public service employees into regular public or private employment not supported under this Act or in the case of Native American entities who operate programs authorized under section 302(c)(1) of this Act.

"(B) The Secretary may waive the provisions of paragraph (2), with respect to any area served by a unit of general local government which is eligible to be a prime sponsor (or any area served by such a Native American entity) in which the rate of unemployment is equal to or exceeds 7 percent or, in the case of a prime sponsor which is a State, any area under the jurisdiction of a unit of general local government in which the rate of unemployment is equal to or exceeds 7 percent, to provide a temporary extension of time, which shall be no greater than 12 months in duration (and which shall be subject to the provisions of section 121(c)(2)), for persons hired on or after October 1, 1978, in a public service employment program under any title of this Act in the case of a recipient which the Secretary determines has faced unusually severe hardships in its

efforts to transition public service employees into regular public or private employment not supported under this Act because of high unemployment in the area of service.

"(i)(1) Funds under this Act shall not be used to pay wages to any individual employed in a public service job at a rate in excess of $10,000 per year, but such maximum shall be adjusted upward for particular areas served by recipients as determined by the Secretary, on the basis of the wage adjustment index issued in accordance with paragraph (3) of this subsection. In no case shall such maximum be increased by more than 20 percent, except that in the case of an area in which the average wage (during the calendar year preceding the beginning of the applicable fiscal year) in employment covered under Federal or State unemployment compensation laws (without regard to any limitation on the amount of such wages subject to contribution under such law) exceeds 150 percent of the national average wage in such employment.

"(2) In order to provide the maximum number of employment and training opportunities under this Act, the Secretary shall issue appropriate standards to be maintained on an area basis with respect to average federally-supported wage rates for public service jobs under this Act. Such standards shall be designed to assure that for particular areas served by recipients, as determined by the Secretary, an annual average federally-supported wage rate per public service jobholder equivalent to $7,200, as adjusted in accordance with the wage adjustment index issued in accordance with paragraph (3) of this subsection, will not be exceeded. Average wage rates established under such standards for public service jobs for each area shall be adjusted annually by the Secretary by a percentage equal to the change in average wages in regular employment not supported under this Act in such area.

"(3) The Secretary shall issue and publish annually an area wage adjustment index based upon the ratio which annual average wages in regular public and private employment in various areas served by recipients bear to the average of all such wages nationally, on the basis of the most satisfactory data the Secretary determines to be available.

"(4)(A) Except as otherwise provided in section 609, no public service employment participant may be provided wages for any public service employment job from sources other than this Act.

"(B) Notwithstanding subparagraph (A), any person in public service employment on September 30, 1978, receiving wages from sources other than this Act may continue to receive such wages.

"(j) Notwithstanding any eligibility limitation on public service employment in this Act, a person who on September 30, 1978, held a public service employment position under this Act may continue in such position subject to subsection (h) of this section.

"(k) All persons employed in public service jobs shall be provided workers' compensation, health insurance, unemployment benefits, and other benefits and working conditions at the same level and to the same extent as other employees working a similar length of time, doing the same type of work and similarly classified. Any such classification must be reasonable and must include nonfederally financed employees, but within any single classification a distinction may be made between public service employees and other employees for purposes of determining eligibility for participation in retirement systems or plans which provide benefits based on age or service or both. Nothing in this subsection or in

section 121(j) shall be deemed to require a contribution to a retirement system or plan for the purpose of providing retirement benefits based on age or service, or both, to a public service employee unless funds under this Act are available, pursuant to section 121(j) to make such contribution.

"*(l) The Secretary, through State employment security agencies, shall inform unemployment compensation recipients and other applicants for assistance from the employment security agency of any available public service jobs for which they may be eligible.*

"*(m) To the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public and private sectors, and to the extent compatible with such objectives, shall meet community needs including but not limited to community betterment activities (including rehabilitation of public properties, assistance in the weatherization of dwellings occupied by low income families, demonstration of energy conserving measures including solar energy techniques, removal of architectural barriers to access by handicapped persons to public facilities, and neighborhood revitalization), education, health care, transportation services, crime prevention and control, and environmental quality control.*

"*(n) No individual shall be eligible to be employed in a public service employment position, if such individual has, within 6 months prior to the determination, voluntarily terminated, without good cause, his or her last previous full-time employment at a wage rate not less than the Federal minimum wage as prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938.*

"*SPECIAL PROVISIONS*

"*SEC. 123. (a) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any employment and training programs in the lower wage industries, except for those jobs (1) for which there exists a training program, approved by the Secretary, of a specified length of time designed to teach specific skills, and (2) where the rate of labor turnover does not exceed substantially the rate of labor turnover in other industries in the same area.*

"*(b) The Secretary shall provide for the sharing of the comprehensive employment and training plans between the prime sponsors and other recipients in the prime sponsor's area in order to assure maximum feasible coordination of activities and programs within the area and to minimize duplication.*

"*(c)(1) Notwithstanding any other provisions of law, employment and training furnished under this Act in connection with weatherization projects may include work on projects for the near poor, including families having incomes which do not exceed 125 percent of the poverty level as determined in accordance with the criteria established by the Director of the Office of Management and Budget, and projects approved by the Community Service Administration pursuant to section 222(a)(5) of the Economic Opportunity Act of 1964 or the Department of Energy pursuant to title IV of the Energy Conservation and Production Act of 1976.*

"*(2) Recipients of funds under this title shall assure an adequate number of supervisory personnel for weatherization projects, who shall be adequately trained in skills needed to carry out the project and to instruct participants in skills needed to carry out a project.*

"(3) The Secretary shall facilitate and extend projects for work on the weatherization of low income housing in titles II, III, IV, and VI of this Act, so as to achieve the most efficient match of manpower funds to materials funds. The Secretary shall, in coordinatation with other appropriate agencies, provide technical assistance and otherwise encourage prime sponsors, serving areas where such projects would contribute to energy savings, to develop and continue weatherization projects as part of their programs under this Act to best prepare applicants for employment in energy related jobs in unsubsidized employment.

"(4) The Secretary shall issue regulations setting forth conditions under which prime sponsors, in carrying out community improvement projects, community betterment activities, and public service employment projects under this Act, may provide work for eligible participants on the rehabilitation of housing for lower-income families as defined in section 8(f)(1) United States Housing Act of 1937 as part of community revitalization or stabilization projects.

"(d)(1) All allocations under this Act shall be based on the latest available data and estimates satisfactory to the Secretary.

"(2) Whenever the Secretary allocates funds required to be allocated by formula under this Act, the Secretary shall publish the proposed amount to be distributed to each prime sponsor.

"(3) Whenever the Secretary utilizes a formula to allocate funds made available for distribution in the Secretary's discretion under the Act (except funds appropriated for title III), the Secretary shall, not later than 30 days prior to such allocation, publish the formula in the Federal Register for comment along with the rationale for the formula and the proposed amount to be distributed to each prime sponsor. After consideration of comments received under the preceding sentence, the Secretary shall publish final allocations.

"(e) For purposes of eligibility for participation in a program under this Act, no person shall be considered as unemployed unless such person has been unemployed for at least seven consecutive days.

"(f)(1) All funds received under any title of this Act, which are allowed to be used for administrative costs under the provisions of the title under which they were received, may be pooled by the recipient so that they may be used to administer all programs under this Act, and may be used to plan for the administration of title VI programs without regard to present funding for such programs.

"(2) Nothing in section 121 or this section shall be deemed to authorize the Secretary to pre-approve the selection of legal counsel by a prime sponsor, but the Secretary shall assure that no funds available for administrative costs under any title of this Act are used by a prime sponsor for making payments on contracts for legal or other associated services unless the prime sponsor certifies that—

> *"(A) the payments are not unreasonable in relation to the fees charged by other contractors providing similar services; and*
>
> *"(B) the services could not be competently provided through employees of the prime sponsor or other available State or local governmental employees.*

"(g) The Secretary, by regulation, shall establish such standards and procedures for recipients of funds under this Act as are necessary to assure against program abuses including, but not limited to, nepotism; conflicts-of-interest; the charging of fees in connection with participation

in the program; excessive or unreasonable legal fees; the improper commingling of funds under the Act with funds received from other sources; the failure to keep and maintain sufficient, auditable, or otherwise adequate records; kickbacks; political patronage; violations of applicable child labor laws; the use of funds for political, religious, antireligious, unionization, or antiunionization activities; the use of funds for lobbying local, State, or Federal legislators; and the use of funds for activities which are not directly related to the proper operation of the program.

"(h) Pursuant to regulations of the Secretary, income generated under any program may be retained by the recipient to continue to carry out the program, notwithstanding the expiration of financial assistance for that program.

"(i) Every recipient which receives funds directly from the Secretary shall be responsible for the allocation of such funds and the eligibility of those enrolled in the program and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuse in their programs and to prevent any misuse of funds by such subcontractors, subgrantees, and other recipients. Prime sponsors may delegate the responsibility for determination of eligibility under reasonable safeguards, including provisions for reimbursement of cost incurred because of erroneous determinations made with insufficient care, provided that the Secretary has approved such an arrangement pursuant to the provisions of section 104(a).

"(j) Federal assistance under this Act shall not be used for the payment of a fee for the placement of any persons in a training or employment program under this Act. Nor may any person or organization charge a fee for the placement or referral of any person in or to such program.

"(k) The Secretary shall notify the Governor and the appropriate prime sponsor of any activity to be funded by the Secretary under this Act within the State or prime sponsor area.

"(l) The Secretary and recipients of financial assistance under this Act shall give special consideration, in carrying out programs authorized by this Act, to community-based organizations, as defined in section 126(1), which have demonstrated effectiveness in the delivery of employment and training services.

"(m) The Secretary of Labor may assist Native American entities which are eligible to receive assistance under section 302, in applying for financial assistance under the Act.

"WAGES AND ALLOWANCES

"SEC. 124. Except as otherwise provided in this Act, the following allowances and wages shall apply to all activities financed under this Act:

"(a)(1) The Secretary shall establish a basic hourly allowance for an individual receiving training for which no wages are payable at a rate which, when added to the amounts of unemployment compensation, if any, received by the trainee, shall be no less than the hourly minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 or, if higher, under the State or local minimum wage law applicable to most employees in the State, and such basic allowances shall, in the case of an individual with dependents be increased by $5 a week for each dependent over 2 up to a maximum of 4 additional dependents.

"(2) Pursuant to regulations of the Secretary, the prime sponsor may increase, decrease, prorate, or waive the basic allowance.

"(3) Except for trainees receiving allowances under title IV, a trainee receiving public assistance, or whose needs or income is taken into account in determining such public assistance payments to others, shall receive an incentive allowance for each hour spent in training not to exceed $30 per week. Such allowance shall be disregarded in determining the amount of public assistance payments under Federal or federally assisted public assistance programs.

"(4) A trainee shall receive no allowances for hours during which the trainee fails to participate without good cause.

"(b) A person in public service employment or similar employment shall be paid wages which shall not be less than the highest of (1) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (2) the minimum wage under the applicable State or local minimum wage law or (3) the prevailing rates of pay for persons employed in similar occupations by the same employer.

"(c) Persons in on-the-job training shall be compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations prescribed by the Secretary, considering such factors as industry, geographical region, skill requirements and individual proficiency, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.

"(d) Persons in work experience shall be paid wages not less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State of local minimum wage law.

"LABOR STANDARDS

"SEC. 125. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

"SECRETARY'S AUTHORITY AND PERFORMANCE STANDARDS

"SEC. 126. (a)(1) The Secretary may, in accordance with chapter 5, title 5, United States Code, prescribe such rules and regulations, including performance standards, as deemed necessary in accordance with paragraph (2). Such rules and regulations may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. For purposes of chapter 5 of such title any condition for receipt of financial assistance shall be deemed a rule to which section 553 applies. All such rules, regulations, guidelines, and other published interpretations or orders under this Act shall be published in the Federal Register at least 30 days prior to their effective date. Copies of all such rules, regulations, guidelines, and other published interpretations or orders shall be transmitted to the appropriate committee of the Congress at the same time and

shall contain with respect to each material provision of such rules, regulations, guidelines, and other published interpretations or orders, citations to the particular substantive section of law which is the basis therefor.

"*(2) The Secretary shall assess the adequacy of each prime sponsor's proposed performance and placement goals in accordance with performance standards which recognize that performance will vary with local conditions and the nature of employment barriers faced by the eligible population to be served. Preformance standards shall provide appropriate recognition of differences associated with the degree of disadvantage or handicap of the eligible population, as well as such factors as—*

"*(A) the local labor market conditions, including the levels of unemployment, and the current and projected labor market demands;*

"*(B) the economic base of the community, including the growth or delcine of industry within the community;*

"*(C) the distribution of available employment opportunities by industry or occupation, for persons residing within the prime sponsor's area;*

"*(D) the differing needs of the eligible population which will vary the costs for services and which will require setting different performance standards depending on the disadvantage, handicap, capabilities, and job readiness of the eligible population to be served; and*

"*(E) such other factors as the Secretary deems appropriate.*

"*(b) The Secretary may make such grants, contracts, or argeements, establish such procedures and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as deemed necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments.*

"*(c) The Secretary may delegate within the Department of Labor authority over the Office established pursuant to section 135 in order to effectively carry out the purposes of such section.*

"*(d) The Secretary shall, to the extent feasible, reduce the costs of compliance imposed on prime sponsors by rules and regulations issued under this Act including, but not limited to, the costs of applications, plan preparation, data collection, recordkeeping, report preparation, and other paperwork and regulatory cost burdens.*

"*(e) In order to reduce paperwork burdens, the Secretary is authorized to consolidate reports required by this Act. Nothing in this subsection shall be construed to reduce or eliminate the requirements established by this Act relating to the furnishing of information by the Secretary.*

"*(f) Notwithstanding any other provision of this Act, no authority to enter into contracts under this Act shall be effective except to such an extent or in such an amount as are provided in advance in appropriations Acts.*

"*REPORTS*

"*SEC. 127. (a) The Secretary shall make such reports and recommendations to the President as the Secretary deems appropriate pertaining to employment and occupational requirements, resources, use, and training, and the President shall transmit to the Congress a report on the same topics not later that March 1 of each year. The first such report submitted after* *effective date of the Comprehensive Employment and Training Act Amendments of 1978 shall include recommendations with respect to necessary legisaltive or administrative changes required to simplify on-the-job training contracting procedures under this Act.*

"*(b) The Secretary and the Secretary of Health, Education, and Welfare shall report to the Congress on the extent to which social services, community colleges, area vocational and technical schools and other vocational education agencies and institutions, and vocational rehabilitation agencies are being utilized to carry out training programs supported in whole or in part under this and related Acts; the extent to which administrative steps have been or are being taken to encourage the use of such facilities and institutions and agencies in the carrying out of the provisions of this Act, and any further legislation that may be required to assure effective coordination and utilization of such facilities and agencies to the end that all federally supported employment and training, vocational education, and vocational rehabilitation programs can more effectively accomplish the objective of providing employment and training opportunities to all persons needing such employment and training.*

"*(C) The Secretary shall annually transmit to the Congress a detailed report which evaluates all programs and activities conducted under this Act, including that information derived from evaluations provided for in section 313. The Secretary shall include specific data concerning the extent to which (1) participants in such activities subsequently secure and retain public or private employment, participate in training or employability development programs, and (2) significant segments of the population of unemployed persons are provided public service employment opportunities. No later than March 1, 1980, the Secretary shall report to Congress proposals for the integration and consolidation of the programs established by part A of title IV and title VII with the program established by title II.*

"*(d) In order to assist the Secretary in preparing the report required by this section, the Secretary shall require as a condition of financial assistance that annual reports and evaluations be submitted in accordance with regulations. The data derived from such reports shall be compiled on a State, regional, and national basis, and shall be included in the annual report to the Congress. Such reports shall include but not be limited to the following information:*

"*(1) a detailed comparison of program performance with approved plan;*

"*(2) participant characterisites (cross-tabulated);*

"*(3) average cost per participant, and*

"*(4) the type of outcomes that participants experience after the program.*

"*(e)(1) In the annual report to Congress required in subsection (a), the Secretary shall make recommendations for program modification, including recommendations for the succeeding fiscal year, based upon such findings, and other legislative or administrative recommendations as the Secretary deems appropriate.*

"*(2) In the annual report required in subsection (a), the Secretary shall include a description of the actions, if any, which the Secretary undertook during the fiscal year for which the report is made to reduce the costs of compliance imposed on the prime sponsors by rules or regulations issued under this Act, as required under section 126(c).*

"(f) In the annual report required under subsection (a), the Secretary shall report on the monitoring and auditing activities of the Department, on administrative changes made or proposed to improve such activities, and on actions taken under section 106, and shall make any necessary proposals for legislative action.

"(g) The Secretary shall transmit to the Congress, as a part of the report required by subsection (a), a detailed report on the evaluations and pilot and demonstration projects conducted with funds made available under this Act, including employment service/prime sponsor demonstration projects.

"(h) The Secretary shall, in consultation with the Director of the Office of Management and Budget, submit a report once each year to the Congress on efforts being taken to reduce paperwork and reporting and to comply with the requirements of the Federal Reports Act and management directives of the Office of Management and Budget.

"(i) Any evaluation report, or data, or information collected in preparation of such report submitted under this section or under any other provisions of this Act, or any contract which is made or information pursuant to such contract which is paid for or made with appropriated funds shall be made available upon request, within four days to the chairman or ranking minority member of the Committee on Education and Labor of the House of Representatives and the Committee on Human Resources of the Senate.

"(j) The Secretary shall report to Congress, as part of the annual report for fiscal year 1979, his recommendations for legislative changes designed to increase the representativeness and independence of the prime sponsor's planning councils, with special attention to the process for selecting council memberships.

"SERVICES AND PROPERTY

"Sec. 128. The Secretary is authorized, in carrying out functions and responsibilities under this Act, to accept, purchase, or lease in the name of the Department, and employ or dispose of in furtherance of the purposes of this Act, or any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, divese, bequest, or otherwise; and to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

"UTILIZATION OF SERVICES AND FACILITIES

"Sec. 129 (a) In addition to such other authority as the Secretary may have, the Secretary is authorized, in the performance of functions under under this Act, and to the extent premitted by law, to utilize the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and utilize the services and facilities of the agencies of any State or political subdividion of a State, with its consent.

"(b) The Secretary shall carry out responsibilities under this Act through the utilization, to the extent appropriate, of all resoucres for skill development available in industry, labor, public and private educational and training institutions, vocational rehabilitation agencies, and other State, Federal, and local agencies and other appropriate public and private organizations and facilities, with their consent.

"INTERSTATE AGREEMENTS

"Sec. 130. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

"PROHIBITION AGAINST POLITICAL ACTIVITIES

"Sec. 131. (a) The Secretary shall not provide financial assistance for any program under this Act which involves political activities.

"(b) Neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

"NONDISCRIMINATION

"Sec. 132. (a) No person in the United States shall on the ground of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this Act.

"(b) Whenever the Secretary determines that a recipient of financial assistance has failed to comply with subsection (a) or an applicable regulation, the Secreatry, in addition to exercising the powers and functions provided in section 106, is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or (3) to take such other action as may be provided by law. In any case in which the Secretary receives a complaint from any interested person or organization under section 106 with respect to an alleged violation of subsection (a) of this section, the Secretary shall make the determination referred to in the preceding sentence no later than 120 days after receiving such complaint.

"(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever the Attorney General has reason to believe that a recipient is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"(d) In addition to other remedies, the Secretary is authorized to enforce the provisions of subsection (a) dealing with discrimination on the basis of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief, in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such provisions of such subsection. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any program or activity receiving assistance under this Act.

"(e) No participant under this Act shall be discriminated against by reason of citizenship. Participation shall be open to citizens and nationals

of the United States, lawfully admitted permanent resident aliens, and lawfully admitted refugees and parolees.

"*(f)(1) The Secretary shall review, on a periodic basis, the adequacy of outreach, training, placement, and advancement practices with respect to handicapped individuals by each prime sponsor pursuant to section 103(b)(15) and shall insure that the special needs of such individuals are being met.*

"*(2) The Secretary shall include in each annual report pursuant to section 127(a) a complete evaluation of the conduct of and achievements in outreach, training, placement, and advancement practices with respect to handicapped individuals by prime sponsors pursuant to section 103(b)(15), including a comparison of such practices and achievements with the preceding year.*

"*RECORDS, AUDITS, AND INVESTIGATIONS*

"*SEC. 133. (a) In order to assure that funds provided under this Act are used in accordance with its provisions, the following provisions shall apply.*

"*(1) Every recipient of funds under this Act shall make, keep, and preserve such records as the Secretary shall require with regard to each employee and each participant. Such records, including periodic reports, audits, and examinations, shall be preserved for such time as the Secretary establishes and shall be made available to the Secretary at such time and in such form, including periodic reports, audits, and examinations as the Secretary may require by regulation or order.*

"*(2) The Secretary may investigate such facts, conditions, practices, or other matters the Secretary deems necessary to determine whether any recipient of funds or any official of such recipient has violated any provision of this Act or of the regulations. Such investigations may include, but need not be limited to, inspecting all records of the recipient (including making certified copies thereof), questioning employees, and entering any premises or onto any site in which any part of the recipient's program is conducted.*

"*(3) For the purpose of any hearing or investigation authorized under this Act, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49, relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the Secretary.*

"*(b) The Secretary shall complete all audits of recipients of funds which he deems necessary in a timely fashion following the end of the fiscal year for which the audits are made. In the annual report required under section 128(a), the Secretary shall include a statement of the average delay between the end of each fiscal year and the audits of prime sponsors for such year, the actions, if any, taken by the Secretary to reduce the delay, and the additional funds and personnel the Secretary would need in order to carry out all audits within the 24-month period following the end of the fiscal year for which the audits are made.*

"*BONDING*

"*SEC. 134. Every officer, director, agent, or employee of a recipient of funds under this Act who handles funds or other financial assistance received under the Act shall be bonded to provide protection against loss by reason of fraud or dishonesty on such person's part directly or through* *conspiracy with others. The Secretary shall establish the amount and other bonding requirements by regulation.*

"OFFICE OF MANAGEMENT ASSISTANCE

"SEC. 135. The Secretary shall establish, in the office of the Secretary, an Office of Management Assistance and shall assign to such office such especially qualified accountants, management specialists, and other professionals as may be necessary and available to provide management assistance to any prime sponsor—

> *"(1) seeking the service of such office on its own initiative to assist it in overcoming problems in the management, operation, or supervision of any program or project under this Act; and*
>
> *"(2) identified, pursuant to a complaint investigation, internal audit, or audit or investigation as not being in compliance with any important requirement of this Act, of regulations issued thereunder, or of the comprehensive employment and training plan.*

Services under this section may be provided on a reimbursable or nonreimbursable basis, as determined by the Secretary, and shall be allocated in a manner to assure equitable but effective distribution of such services. The Secretary shall periodically publish any proposals for corrective action made by the Office which may be useful to other prime sponsors.

"TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING SERVICES

"PART A—FINANCIAL ASSISTANCE PROVISIONS

"PURPOSE OF PROGRAM

"SEC. 201. It is the purpose of this title to establish programs to provide comprehensive employment and training services throughout the Nation in order to ease barriers to labor force participation encountered by economically disadvantaged persons, to enable such persons to secure and retain employment at their maximum capacity, and to enhance the potential for individuals to increase their earned income. Such programs shall include the development and creation of training, upgrading, retraining, education, and other services needed to enable individuals to secure and retain employment at their maximum capacities so as to increase their earned incomes.

"ALLOCATION OF FUNDS

"SEC. 202. (a)(1)(A) Eighty-five percent of the amount available for parts A, B, and C of this title in fiscal year 1979 shall be allocated as follows:

> *"(i) 50 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the sums received by the State under title I of the Comprehensive Employment and Training Act of 1973 for fiscal year 1978 compared to the sums received by all States under such title in that year;*
>
> *"(ii) 37½ percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States;*

"(iii) 12½ percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of adults in families with an annual income below the low-income level within the State compared to the total number in all States; and

"(iv) Not less than $2,000,000 shall be allocated among Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Marianas in accordance with their respective needs.

"(B) The sum allocated to each State shall be allocated by the Secretary among prime sponsors within the State on an equitable basis based upon the factors set forth in subparagraph (A).

"(2)(A) Eighty-five percent of the amount available for parts A, B, and C of this title in fiscal years 1980, 1981, and 1982 shall be allocated as follows:

"(i) two-thirds of such amount shall be allocated in accordance with the provisions of subparagraph (B) of this paragraph; and

"(ii) one-third of such amount shall be allocated in accordance with the provisions of subparagraph (C) of this paragraph.

"(B) The amount allocated under this subparagraph shall be allocated as follows:

"(i) 50 per centum of the amount allocated under this subparagraph shall be allocated on the basis of the amount allocated to the prime sponsor under this subparagraph (or under paragraph (1)) in the fiscal year prior to the year for which the determination is made compared to the amount so allocaed to all prime sponsors in that year;

"(ii) 37½ per centum of the amount allocated under this subparagraph shall be allocated in the basis of the relative number of unemployed persons within jurisdiction of the prime sponsor as compared to such numbers in all such jurisdictions;

"(iii) 12½ per centum of the amount allocated under this subparagraph shall be allocated on the basis of the relative number of adults in families with an annual income below the low-income level within the jurisdiction of the prime sponsor compared to such total numbers in all such jurisdictions; and

"(iv) not less than $2,000,000 shall be allocated among Guam, the Virgin Islands, the Northern Marianas, American Samoa, and the Trust Territory of the Pacific Islands, in accordance with their respective needs.

"(C) The amount allocated under this subparagraph shall be allocated among prime sponsors in accordance with the number of unemployed persons residing in areas of substantial unemployment within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all such areas.

"(b) Six percent of the funds available for parts A, B, and C of this title shall be available only for grants under section 204 for supplemental vocational education assistance.

"(c) One percent of the amount available for parts A, B, and C of this title shall be available to the Secretary to be allocated in the same manner as provided under subsection (a) to States for the costs of the State employment and training council incurred in carrying out the provisions of section 110, except that no State shall receive an allocation of less than $50,000. If any State does not need the amount allocated under this subsection for any fiscal year, that amount shall be available for the Governor's coordination and special services under section 105.

"(d) One percent of the amounts available for this title shall be available to the Governor of each State in the same proportion as that State's allocation under subsection (a) for encouraging coordination and establishing linkages between prime sponsors and appropriate educational agencies and institutions, and institutions providing training programs which are approved by the Secretary, and for services for eligible participants delivered jointly by employment and training agencies and appropriate educational agencies and institutions.

"(e) Four percent of the amounts available for parts A, B, and C of this title shall be available to each Governor in the same proportion as that State's allocation under subsection (a), for the Governor's coordination and special services under section 105, and, where deemed necessary by the Governor, for additional support of State employment and training councils.

"(f)(1) The remainder of the funds shall be available in the Secretary's discretion to be distributed among prime sponsors (or where a prime sponsor's comprehensive employment and training plan has not been approved, an area served by the Secretary under the authority in section 102) in accordance with the provisions of paragraph (2).

"(2)(A) The Secretary shall first utilize such funds to assure that each prime sponsor is provided with (i) an amount for fiscal year 1979 equal to 90 percent of the sum of the funds available for expenditure during fiscal year 1978 by such prime sponsor under section 103(a)(2), (f), and (g) (as in effect prior to the enactment of the Comprehensive Employment and Training Act Amendments of 1978); (ii) an amount for fiscal year 1980, equal to 90 percent of the sum of the funds available for expenditure during fiscal year 1979 by prime sponsors under subsection (a)(1); or (iii) an amount for any fiscal year beginning on or after October 1, 1980, equal to 90 percent of the sum of the funds available for expenditure during the preceding fiscal year by such prime sponsor under subsection (a)(2).

"(B) The Secretary shall next use such funds (i) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and (ii) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this subsection are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction. The allocations required under clause (ii) of this subparagraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

"(C) The Secretary shall next use such funds as needed to provide continued funding of programs of demonstrated effectiveness, and to encourage, after consultation with and receiving recommendations from the Governor of the appropriate State, voluntary consortia (formed under section 101(a)(3)) where the Secretary determines, pursuant to regulations, that such consortia demonstrate advantages in delivering employment and training services to substantial portions of functioning labor market areas.

"(g) Prime sponsors are authorized to use funds allocated under this section to support prime sponsor planning councils.

"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

"Sec. 203. (a) The Secretary shall not provide financial assistance for any fiscal year to a prime sponsor unless the prime sponsor submits a satisfactory comprehensive employment and training plan pursuant to section 103.

"(b) Not more than 6.5 per centum of each prime sponsor's allocation under section 202(a) may be used for programs and activities under part C of this title.

"(c)(1) The Secretary shall not provide financial assistance under this title for any fiscal year to a prime sponsor unless the prime sponsor provides assurances that (consistent with needs identified in the prime sponsor's plan submitted under section 103(a)) it shall make agreements with State or local educational agencies or postsecondary educational institutions for the conduct of employment and training programs, which programs may consist of—

"(A) vocational training designed to prepare individuals for employment;

"(B) instruction in basic cognitive skills necessary to obtain employment or pursue further education or training designed to prepare individuals for employment;

"(C) employment of persons in schools controlled by such agencies or in postsecondary institutions; and

"(D) such other employment and training activities as may be consistent with the purposes and provisions of this title.

"(2) Each such agreement entered into under this subsection shall describe in detail the employment opportunities and appropriate educational, training, or other services to be provided, and shall contain provisions to assure that funds utilized pursuant to the agreement will not supplant State or local funds expended for the same purpose.

"(3) In the event a prime sponsor is unable to reach agreements with the appropriate educational agencies or institutions, or in the event such agencies or institutions are dissatisfied with the utilization of their facilities proposed by the prime sponsor, either may request the Secretary to review such arrangements and the Secretary, after affording an opportunity for a hearing and taking into consideration such factors as he considers relevant, may take such action as he deems appropriate within 90 days after receiving such a request.

"SUPPLEMENTAL VOCATIONAL EDUCATION ASSISTANCE

"Sec. 204. (a)(1) From the funds available to him for this section, the Secretary shall make grants to Governors to provide financial assistance, through State vocational education boards, to provide needed vocational education services in areas served by prime sponsors, in accordance with an agreement between the State vocational education board and the prime sponsor.

"(2) The State vocational education board, prior to making any agreement with a prime sponsor as provided in paragraph (1), shall consult with and obtain the advice and comment of the designated representatives of the State agencies and councils which are required to be involved in the formulation of the five-year State plan for vocational education pursuant to section 107(a)(1) of the Vocational Education Act of 1963.

"(b) All of the sums available to carry out this section shall be allocated among the States in the manner provided for allocating funds under section 202(a).

"(c)(1) Not less than 85 percent of the funds available under this section shall be used only for providing vocational education and services to participants in programs under this title.

"(2) The remainder of the funds available under this section may be used—

"(A) to coordinate programs under this Act with existing vocational education programs;

"(B) to coordinate the utilization of funds under this Act and the Vocational Education Act of 1963 to enhance economic growth and development in the State;

"(C) to develop linkages between vocational education, education, and training programs under this Act and private sector employers;

"(D) to provide technical assistance to vocational education institutions and local education agencies to aid them in making cooperative arrangements with appropriate prime sponsors;

"(E) to provide information, curriculum materials, and technical assistance in curriculum development and staff developments to prime sponsors.

"PARTICIPANT ASSESSMENT

"SEC. 205. (a) In order to assess the appropriate mixture of training or employment services, or both, needed by each individual receiving assistance under this title, the prime sponsor shall assist each such individual to establish a personalized employability plan. In establishing such plan, prime sponsors shall take into consideration an individual's skills, interests, and career objectives, subject to the availability of services, and shall consider the barriers to employment or advancement faced by that individual in order to assist that individual to attain unsubsidized employment.

"(b) An assessment of appropriate training and supportive services shall be made at the time of entrance to a program assisted in part or in whole by this title, which shall be reviewed periodically throughout the duration of the individual's participation in a program funded under this title. Such assessment shall be included in each individual's employability plan.

"PART B—SERVICES FOR THE ECONOMICALLY DISADVANTAGED

"DESCRIPTION OF PROGRAM

"SEC. 211. Comprehensive employment and training services may include, but need not be limited to, the following:

"(1) job search assistance, including orientation, counseling, and referral to appropriate employment and training opportunities;

"(2) outreach to make persons aware of the availability of, and to encourage them to use, employment and training services;

"(3) supported work programs or activities;

"(4) education and institutional skill training to prepare persons to enter the labor market, or to qualify for more productive job opportunities and increased earnings;

"(5) on-the-job training and training leading to self-employment in small business;

"(6) work experience programs providing employment opportunities for eligible individuals unable to attain employment with public or private sector employers, which shall be designed to increase the employability of the participants through development of work habits, occupational skills, and linkages with other training programs, or to provide temporary employment to individuals who are seeking suitable placement in classroom training, on-the-job training, public service employment, or other such employment and training opportunities;

"(7) payments or other inducements to public or private employers to expand job opportunities, in accordance with section 121(l);

"(8) services to individuals to enable them to retain employment;

"(9) supportive services, including, but not limited to, necessary health care, child care, residential support, or assistance in securing bonds, and transportation, needed to enable individuals to participate in employment and training;

"(10) development of labor market information and activities such as job restructuring, to make the program more responsive to the needs of the eligible population;

"(11) training, employment opportunities, and related services conducted by community based organizations;

"(12) part-time, flextime, and other alternative working arrangements for individuals who are unable because of age, handicap, or other factors to work full-time;

"(13) payment of allowances to persons in training for which they receive no remuneration, and payment of such allowances for transportation, subsistence, or other expenses incurred in training or employment; and

"(14) any programs or activities authorized by part A of title III, title IV, and title VII of this Act.

"LIMITATIONS ON USE OF FUNDS

"SEC. 212. (a) No prime sponsor may use funds allocated for parts A, B, and C for public service employment.

"(b) Work experience programs conducted under this part, except for in-school youth, shall—

"(1) be designed to lead to unsubsidized employment, and

"(2) be subject to the limitations on duration specified in section 121(c)(2),

unless the prime sponsor's plan as approved by the Secretary establishes that the lack of alternative job opportunities in the area makes such conditions and limitations impractical.

"ELIGIBILITY FOR PARTICIPATION

"SEC. 213. A person shall be eligible to participate in a program receiving financial assistance under this part only if such person is economically disadvantaged and either unemployed, underemployed, or in school.

"SERVICES FOR YOUTH

"SEC. 214. (a) Services for youth under this part shall be designed to assist eligible participants in overcoming the particular barriers to em-

ployment experienced by youth, including lack of basic educational or vocational skills, insufficient preparation for the personal adaptations necessary for labor force participation, inability to find or successfully apply for employment, financial barriers to labor force participation, and lack of appropriate job opportunities.

"*(b) The Secretary shall insure that each prime sponsor's plan for serving eligible youth under this part includes—*

"*(1) provisions for coordinating activities under this part with activities under part A of title IV of this Act;*

"*(2) assurances that, to the maximum extent feasible, the activities enumerated in section 432 of this Act, except for public service employment, will be utilized to serve youth under this part; and*

"*(3) procedures for review of such plans by the youth council established under section 436(b) of this Act.*

"*SERVICES FOR OLDER WORKERS*

"*SEC. 215. (a) Services for older workers under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by older workers, including skills that are obsolete or no longer needed in the community, changing physical characteristics associated with aging, employer reluctance to hire older workers, financial barriers to labor force participation, and lack of appropriate job opportunities.*

"*(b) The Secretary shall insure that each prime sponsor's plan for serving eligible older workers under this part includes provisions for utilizing activities including activities described in section 308 and coordinating services for older workers under this part with programs and services provided by senior centers, area agencies on aging, and State agencies on aging (as designated under the Older Americans Act of 1965).*

"*SERVICES FOR PUBLIC ASSISTANCE RECIPIENTS*

"*SEC. 216. (a) Services for public assistance recipients under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experience by such recipients, including lack of basic educational or vocational skills, insufficient preparation for the personal adaptations necessary for labor force participation, inability to find or successfully apply for employment, inability to obtain transportation to employment opportunities, medical problems, inability to obtain satisfactory child care, and lack of appropriate job opportunities.*

"*(b) The Secretary shall insure that each prime sponsor's plan for serving eligible public assistance recipients under this part includes provisions for coordinating services assisted under this part with other programs assisted under this Act; and with services provided by State and local public assistance agencies.*

"*PART C—UPGRADING AND RETRAINING*

"*OCCUPATIONAL UPGRADING AND RETRAINING*

"*SEC. 221. (a) Pursuant to regulations of the Secretary, prime sponsors may provide financial assistance to public and private employers for the costs associated with occupational upgrading programs, including sup-*

portive services, through agreements with public and private employers for the employees of such employers. Individuals eligible for such programs shall be individuals operating at less than their full skill potential, primarily those in entry level positions or positions with little normal advancement opportunities. In any program receiving financial assistance under this section—

"(1) the positions for which employees are being upgraded shall be positions not regularly available to entry level employees, and for which adequately trained persons are not available;

"(2) the selection of employees for upgrading shall be based upon potential and the lack of availability for advancement in a normal promotional line;

"(3) the education and skill training content of the upgrading program shall provide employees with a reasonable progression resulting in qualifications for a recognized position of greater skill, responsibility, remuneration, or career advancement in the service of that employer;

"(4) the training period for upgrading shall be reasonable and consistent with periods customarily required for comparable training;

"(5) adequate personnel, attendance and progress records shall be maintained;

"(6) the program shall be designed, to the extent feasible, so that additional vacancies are created for new entry level employees;

"(7) compensation shall be paid by the employer at rates, including periodic increases, as the Secretary deems reasonable, considering such factors as industry practice, skill requirements, individual proficiency, and the geographical region, but not at rates less than that received before upgrading; and

"(8) successful completion shall be expected to result in employment with the employer in the occupation for which the employee has been upgraded and at not less than prevailing wages.

"(b)(1) Pursuant to regulations of the Secretary, prime sponsors may conduct retraining programs, including supportive services, directly or through agreements with public and private employers or other organizations or agencies.

"(2) Entry into retraining programs shall be only for individuals who have previously received a bona fide notice of impending layoff, and who are determined, pursuant to regulations of the Secretary, to have little opportunity to be reemployed in the same or equivalent occupation or skill level within the labor market area.

"(3) Retraining programs shall meet such standards as the Secretary shall establish by regulation.

"(c) If upgrading or retraining is for or from jobs covered by collective bargaining agreements, agreements with employers to carry out such programs shall have the concurrence of labor organizations representing employees in such jobs.

"PART D—TRANSITIONAL EMPLOYMENT OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

"STATEMENT OF PURPOSE

"SEC. 231. It is the purpose of this part to provide economically disadvantaged persons who are unemployed with transitional employment

in jobs providing needed public services, and related training and services to enable such persons to move into employment or training not supported under this Act.

"*FINANCIAL ASSISTANCE*

"S*EC. 232. (a) The Secretary shall provide financial assistance to prime sponsors for transitional public service employment for economically disadvantaged persons who are unemployed. Such employment—*

"*(1) shall be entry level;*

"*(2) shall be combined with training and supportive services if such training and services are reasonably available in the area; and*

"*(3) shall be designed to enable participants to move into unsubsidized employment.*

"*(b)(1) Not more than 10 percent of the funds allocated to a prime sponsor in accordance with the provisions of this part may be used for administrative and other allowable costs (such as supplies, materials, and equipment) incurred by the prime sponsor, program agents, project applicants, or subgrantees or contractors, in accordance with such regulations as the Secretary may prescribe.*

"*(2) Not less than—*

"*(A) 10 percent of the funds so allocated for fiscal year 1979;*
"*(B) 15 percent of the funds so allocated for fiscal year 1980;*
"*(C) 20 percent of the funds so allocated for fiscal year 1981;*
"*(D) 22 percent of the funds so allocated for fiscal year 1982;*

shall be used only for training.

"*(3) The remainder of the funds so allocated may be expended only for wages, employment benefits, training, and supportive services, to persons employed in public service employment under this part.*

"*ALLOCATION OF FUNDS*

"S*EC. 233. (a) Funds made available for carrying out this part shall be allocated among prime sponsors by the Secretary in accordance with subsection (b).*

"*(b) The Secretary shall reserve an amount equal to not less than 2 percent of the amounts made available pursuant to section 232 for any fiscal year to enable Native American entities which are described in section 302(c)(1)(A) to carry out public service employment programs under this part. Eighty-five percent of the amounts made available pursuant to section 232 for any fiscal year shall be allocated in accordance with subsection (c).*

(c)(1) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such prime sponsor as compared to the number of unemployed persons who reside in all such areas in all the States.

(2) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the prime sponsor as compared to the total excess number of unemployed persons who reside within the jurisdiction of all prime sponsors. For purposes of this subparagraph, the term 'excess number' means (i) the number which represents unemployed persons in excess of 4½ percent of the labor force in the jurisdiction of the prime sponsor in whose jurisdiction such persons reside, or (ii) in the case of a prime sponsor which is a

State, the term 'excess number' means such number as defined in clause (i) or the number which represents unemployed persons in excess of 4½ percent of the labor force in areas of substantial unemployment.

"(3) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors in accordance with the number of unemployed persons residing in areas of substantial unemployment within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployment.

"(4) Twenty-five percent of the amount allocated under this subsection shall be allocated on the basis of the relative number of adults in families with an annual income below the low-income level within the jurisdiction of the prime sponsor compared to such total numbers in all such jurisdictions.

"(e)(1) The Secretary shall, from the remainder of the funds made available under this part, first use such remainder—

> *"(A) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and*
>
> *"(B) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this section and title IV are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction.*

The allocations required under clause (B) of this subparagraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

"(2) The remainder of the amount made available under this part shall be available to the Secretary for financial assistance to prime sponsors and Native American entities described in section 302(c)(1)(A) as the Secretary deems appropriate.

"(f) For purposes of making allocations under subsections (c)(1) and (c)(2) of this section, the Secretary shall use average annual data for the most recent 12-month period for which satisfactory data are available.

"EXPENDITURE OF FUNDS

"SEC. 234. Funds available for the purposes of this part shall be utilized by prime sponsors for public service employment activities, or projects carried out by project applicants as defined in section 3, or for activities set forth in section 211.

"PRIME SPONSORS AND PROGRAM AGENTS

"SEC. 235. The provisions set forth in section 606 of this Act shall be applicable to this part.

"ELIGIBILITY

"SEC. 236. (a) An individual eligible to be employed in a position supported under this part shall be a person (1) who has been unem-

ployed for at least 15 weeks and who is economically disadvantaged, or (2) who is, or whose family is receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act.

"(b) The provisions of section 122(h) shall apply to duration of participation under this part.

"WAGES

"SEC. 237. (a) Wages to individuals employed in public service employment under this part shall be paid in accordance with sections 122(i) and 124.

"(b) Public service employment participants under this part may not have their wages supplemented by the payment of any additional wages for such employment from any source whatever, except as provided in section 122(i)(4)(B).

"TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

"PART A—SPECIAL NATIONAL PROGRAMS AND ACTIVITIES

"SPECIAL PROGRAMS AND ACTIVITIES

"SEC. 301. (a) The Secretary shall use funds available under this title to provide services authorized under all titles of this Act and for employment and training programs that—

"(1) meet the employment-related needs of persons who face particular disadvantages in specific and general labor markets or occupations, including offenders, persons of limited English language proficiency, handicapped individuals, women, single parents, displaced homemakers, youth, older workers, individuals who lack educational credentials, public assistance recipients, and other persons whom the Secretary determines require special assistance;

"(2) are most appropriately administered from the national level, such as programs sponsored by public agencies or private organizations that conduct federally assisted activities in more than one State;

"(3) foster new or improved linkages between Federal, State, and local employment and training agencies and components of the private sector, such as the business community, organized labor, and community based organizations;

"(4) provide continued support for programs of demonstrated effectiveness;

"(5) eliminate or reduce critical skill shortages in the Nation's labor force; and

"(6) serve individuals who become unemployed as a result of large-scale loss of jobs in a locality, caused by the closing of a facility, mass layoffs, natural disasters, or similar circumstances;

"(b)(1)(A) The Secretary shall make available financial assistance to conduct programs to provide employment opportunities and appropriate training and supportive services (through multipurpose projects or otherwise) to displaced homemakers. Such training and supportive services shall include, but not be limited to, job training, job readiness services, job counseling, job search, and job placement services; outreach and information services, including information on available education opportunities;

and referrals (through cooperative arrangements, to the maximum extent feasible) to health, financial management, legal, public assistance, and other appropriate supportive services in the community being served. To the maximum extent feasible, activities supported under this paragraph shall be coordinated with and supplement, but not supplant, activities supported under other titles of this Act and shall emphasize training and other employment related services for participants that are designed to enhance their employability and earnings. Programs shall concentrate on creating new jobs in the private sector for displaced homemakers in order to meet identified needs within the community. To the maximum extent feasible, supervisory, technical, and administrative positions within the programs shall be filled by displaced homemakers. Priority for participation in projects supported under this paragraph shall be given to displaced homemakers who, as provided in regulations which the Secretary shall prescribe, are most in need of services by virtue of age, education, training, household support obligations, and employability.

"*(B) No funds available under this section shall be used for the purchase, construction, or major rehabilitation of facilities.*

"*(C) For the purposes of carrying out this section, the Secretary shall reserve not more than 2 percent of the funds made available to carry out this title.*

"*(2) The Secretary shall make financial assistance available to conduct a program for offenders to provide employment, training and related assistance and supportive services (including basic education, drug addiction or dependency rehabilitation and health care) which will enable them to secure and retain meaningful employment. The Secretary shall support activities designed to enable offenders to secure meaningful training and employment including but not limited to those services which provide highly structured and supervised employment opportunities, such as employment and training opportunities proven effective under section 311(c). Emphasis shall be placed upon serving offenders in contact with the criminal justice system or recently released from criminal justice custody or supervision. Services shall be comprehensive, and recipient of funds shall coordinate their activities with other providers of employment and training assistance. Grants may also be provided to the States or prime sponsors for the establishment of units for planning and evaluation of correctional employment and training assistance to offenders. The Secretary may provide for appropriate arrangements with employers and labor organizations, and appropriate parole, probationary, and judicial authorities, for the utilization of training equipment comparable to that currently used for the job for which training is furnished. To support such programs the Secretary shall develop information concerning the special needs of offenders for such services, including special studies regarding the incidence of unemployment among offenders and the means of increasing employment opportunity for offenders. As part of the reporting requirements under section 127(a), the Secretary shall also conduct an annual survey of prime sponsors and States receiving assistance under this Act for the purpose of assessing the scope and implementation of offender programs.*

"*(3) With respect to programs for persons of limited English-speaking ability under this Act, the Secretary shall establish appropriate procedures to ensure that participants are provided with employment and training and related assistance and supportive services (where feasible, at times designed* *to meet the needs of individuals unable to attend during normal working hours) designed to increase the employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability, including (A) the teaching of occupational skills in the primary language of such persons for occupations which do not require a high proficiency in English, and (B) developing new employment opportunities for limited English-speaking persons and opportunities for promotion within existing employment situations for such persons, including programs for the dissemination of appropriate information, and job placement, and counseling assistance, and the conduct of training and employment programs, in the primary language of such persons, as well as programs designed to increase the English-speaking ability of such persons.*

"(4) The Secretary shall make financial assistance available to conduct programs for handicapped individuals, youth, single parents, and older workers to provide employment, training and related assistance and supportive services which will enable them to secure and retain meaningful employment. Such programs shall be designed to assist in eliminating artificial and other employment barriers faced by such persons.

"(c) The Secretary shall report to the Congress not later than March 1 of each year with detailed information and analysis of the programs conducted pursuant to this section. The information required by this subsection may be included in the annual report of the Secretary under section 127(a).

"(d) Funds allocated to recipients for purposes of this section shall be used to supplement funds which otherwise would be used for purposes of undertaking the same or similar programs and activities for such persons.

"(e) To the extent appropriate, programs financed under this part shall be coordinated with programs conducted by prime sponsors under this Act, and the Secretary shall notify such prime sponsors of the funding of an employment and training program under this part.

"(f) Notwithstanding any other provisions of this Act, eligibility requirements for programs for workers age fifty-five and older, which were established under title X of the Public Works and Economic Development Act of 1965, and which thereafter have been funded under section 304 of this Act prior to the enactment of the Comprehensive Employment and Training Act Amendments of 1978, shall be those which applied when the programs were established under title X.

"(g) The Secretary shall establish a special program for the funding of local workshops for the training of youths and other individuals who wish to pursue careers as self-employed owners and managers of small businesses. Such workshops should provide instruction in management techniques, business communication skills, motivational training, special problems in business operation, advice concerning Federal and State regulations, preparation of financial statements and loan applications, recordkeeping, development of marketing techniques, and information on beneficial resources available within the community.

"NATIVE AMERICAN EMPLOYMENT AND TRAINING PROGRAMS

"SEC. 302. (a) The Congress finds that (1) serious unemployment and economic disadvantage exist among members of Native American Indian, Alaskan Native, and Hawaiian native communities; (2) there is a com-

pelling need for the establishment of comprehensive training and employment programs for members of those communities; and (3) such programs are essential to the reduction of economic disadvantage among individual members of those communities and to the advancement of economic and social development in these communities consistent with their goals and lifestyles.

"*(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of those to be served by the provisions of this section, (1) such programs can best be administered at the national level; (2) such programs shall be available to federally recognized Native American Indian tribes, bands, and groups and to other groups and individuals of Native American descent such as, but not limited to, the Lummis in Washington, the Menominees in Wisconsin, the Klamaths in Oregon, the Oklahoma Indians, the Passamaquoddys and Penobscots in Maine, and Eskimos and Aleuts in Alaska, and Hawaiian natives; and (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and development as determined by representatives of the communities and groups served by this section.*

"*(c)(1)(A) In carrying out responsibilities under this section, the Secretary shall, wherever possible, utilize Native American Indian tribes, bands, or groups on Federal or State reservations (including Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act of December 18, 1971) and the Oklahoma Indians, having a governing body and such public agencies and private nonprofit organizations as the Secretary determines will best serve Native Americans, for the provision of employment and training services under this section. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive employment and training program, the Secretary shall require such tribe, band, or group to submit a comprehensive plan meeting such requirements as the Secretary prescribes.*

"*(B) The Secretary shall arrange for programs to meet the employment and training needs of Hawaiian natives through such public agencies or private nonprofit organizations as the Secretary determines will best meet their needs.*

"*(2) In carrying out responsibilities under this section, the Secretary shall make arrangements with prime sponsors and organizations (meeting requirements prescribed by the Secretary) serving nonreservation Native Americans for programs and projects designed to meet the needs of such Indians for employment and training and related services.*

"*(d) Whenever the Secretary determines not to utilize Native American Indian tribes, bands, or groups for the provision of employment and training services under this section, the Secretary shall, to the maximum extent feasible, enter into arrangements for the provision of such services with public agencies or private nonprofit organizations which meet with the approval of the tribes, bands, or groups to be served.*

"*(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the administration of Native American employment and training programs authorized under this Act.*

"*(f) Funds available for this section shall be expended for programs and activities consistent with the purposes of this section including but* *not limited to such programs and activities carried out by prime sponsors under other provisions of this Act.*

"(g) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 4.5 percent of the amount allocated pursuant to section 202(a).

"(h) No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Native American bands, tribes or groups.

"MIGRANT AND SEASONAL FARMWORKERS EMPLOYMENT AND TRAINING PROGRAMS

"SEC. 303. (a) The Congress finds and declares that—

"(1) chronic seasonal unemployment and underemployment in the agricultural industry, substantially affected by recent advances in technology and mechanization, constitute a substantial portion of the Nation's rural employment problem and substantially affect the entire national economy; and

"(2) because of the special nature of farmworker employment and training problems such programs can best be administered at the national level.

"(b)(1) The Secretary shall meet the employment and training needs of migrants and seasonal farmworkers through public agencies and private nonprofit organizations, including, but not limited to, programs and activities carried out by prime sponsors under other provisions of this Act, as the Secretary determines have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and a capability to administer effectively a comprehensive employment and training program for migrant and seasonal farmworkers.

"(2) Programs supported under this section shall include, but not be limited to, employment and training in traditional as well as newly developing agricultural occupations and related assistance and supportive services.

(c)(1) In awarding a grant or contract for services administered under this section, the Secretary shall not assign any preferential weighting factor to an application therefor by virtue of the fact that the applicant holds at the time of application a prior grant or contract to provide services under this section; nor shall the Secretary assign any negative weighting factor to an application by virtue of the fact that an applicant is an instrumentality of State government.

"(2) In carrying out programs and activities under this section, the Secretary shall continue in operation any program which is in existence on the effective date of this paragraph and—

"(A) which is—

"(i) operated through the use of the facilities of any institution of higher education; and

"(ii) designed to assist migrant and seasonal farmworkers who are beyond the age of compulsory school attendance in the State in which the institution is located, through tutoring, counseling, and other similar assistance, in the completion of courses necessary to receive a high school diploma or its equivalent; or

"(B) which serves migrant and seasonal farmworkers who are enrolled in a full-time basis in the first academic year of an undergraduate program at any institution of higher education, and the

dependents of migrant and seasonal farmworkers if such dependents are so enrolled, by—

"(i) aiding such individuals in carrying out the transition from secondary school to postsecondary school programs;

"(ii) generating motivation necessary for success in education beyond secondary school; and

"(iii) providing counseling, tutorial, and similar educational services designed to assist such individuals during their first academic year at such institution.

The Secretary shall continue the operation of any such program for so long as such program is consistent with the purposes of this section, as determined by the Secretary.

"(3) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 5 percent of the amount allocated pursuant to section 202(a).

"(e) In administering programs under this section, the Secretary shall consult with appropriate State and local officials and may enter into agreements with such officials to assist in the operation of such programs. In implementing this section the Secretary shall determine in consultation with appropriate State and local educational agencies, that no substantial duplication will exist.

"JOB SEARCH AND RELOCATION ASSISTANCE

"SEC. 304. (a) The Secretary is authorized to carry out job search and relocation assistance through agreements with States, State agencies or prime sponsors.

"(b) Job search assistance shall be available to economically disadvantaged, unemployed, and underemployed persons.

"(c) (1) Relocation assistance may be provided in the form of loans, or grants, or both, subject to such standards as the Secretary establishes.

"(2) Relocation assistance shall be available only to involuntarily unemployed individuals who cannot reasonably be expected to secure fulltime employment in the community in which they reside, and have bona fide offers of employment (other than temporary or seasonal employment).

"VETERANS INFORMATION AND OUTREACH

"SEC. 305. The Secretary, in consultation and cooperation with the Administrator of Veterans Affairs and the Secretary of Health, Education, and Welfare, shall provide for an outreach and public information program utilizing, to the maximum extent, the facilities of the Departments of Labor and Health, Education, and Welfare and the Veterans' Administration to exercise maximum efforts to develop jobs and job training opportunities for disabled and Vietnam-era veterans, and inform all such veterans about employment, job-training, on-the-job training and educational opportunities under this Act, under title 38, United States Code, and other provisions of law; and inform prime sponsors, Federal contractors and subcontractors, Federal agencies, educational institutions, labor unions, and employers of their statutory responsibilities toward such veterans, and provide them with technical assistance in meeting those responsibilities.

"PROGRAMS FOR THE HANDICAPPED

"SEC. 306. (a)(1) The Congress finds and declares that due to the rapid implementation of programs to assist handicapped individuals mandated

under the Education for the Handicapped Act and section 504 of the Rehabilitation Act of 1973, there is a need for people to provide the special supportive services and removal of architectural barriers required by these Acts.

"(2) The Congress further declares that the individuals to be served under this section represent a large percentage of the unemployed, and that these services will provide meaningful improvement of the lives of the handicapped individuals served.

"(b) The Secretary shall establish programs throughout the Nation which shall train personnel to work with and assist handicapped individuals. These programs may be in any areas of training or education which provide individuals with skills necessary to train or provide assistance to handicapped persons, including, but not limited to, interpreters for the deaf and aides in classrooms to assist in the education of the handicapped.

"(c) The Secretary shall take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the administration of programs authorized under this section.

"PARTNERSHIP PROGRAMS

"SEC. 307. (a) From funds available under this title the Secretary is authorized to promote the development of partnership arrangements between prime sponsors and employment security agencies. Such partnerships shall constitute a segment of an integrated and comprehensive intake, service and placement system and shall be designed to achieve an employability plan and comprehensive program of job preparation and job search assistance for all participants under this Act. Such partnerships may also include other related public and private nonprofit agencies and organizations, including community-based organizations.

"(b) Such partnerships may result in—

"(1) the creation of a joint-planning, administrative, and operational entity;

"(2) combining and colocation of staff; and

"(3) a joint data base and information system.

"(c) The Secretary is authorized to reimburse prime sponsors for costs associated with the implementation of a partnership and to provide incentives to ensure that employment security agencies may participate on an equitable basis.

"PROJECTS FOR MIDDLE-AGED AND OLDER WORKERS

"SEC. 308. (a) The Secretary shall—

"(1) develop and establish employment and training policies and programs for middle-aged and older workers which will reflect appropriate consideration of these workers' importance in the labor force and lead to a more equitable share of employment and training resources for middle-aged and older workers;

"(2) develop and establish programs to facilitate the transition of workers over 55 years of age from one occupation to another within the labor force and to facilitate the transition of such workers from non-participation to participation in the labor force including work experience, vocational education, public service employment, on-the-job training, occupational upgrading, and job search and placement,

and technical assistance to employers for establishing flexi-time, job sharing, and other innovative arrangements suited to the needs of older workers;

"(3) conduct research on the relationships between age and employment and insure that the findings of such research are widely disseminated in order to assist employers in both the public and the private sectors better understand and utilize the capabilities of middle-aged and older workers; and

"(4) develop and establish programs to develop methods designed to assure increased labor force participation by older workers who are able and willing to work but who have been unable to secure employment or who have been discouraged from seeking employment.

"(b) In carrying out the provisions of subsection (a) the Secretary shall provide for appropriate arrangements to be made with prime sponsors, members of the business community (including small business), labor organizations, local educational agencies, and community-based organizations as defined in section 3. Such arrangements may include, but need not be limited to—

"(1) an analysis of the local labor force on the basis of such factors as age, educational background, income, race, and sex, focusing particularly on comparative rates of labor force participation and of unemployment and underemployment among the various demograghic groups studied;

"(2) an assessment of each participant's skills and work experience for purposes of formulationg realistic second career objectives, including formal vocational testing instruments supplemented by such functional assessment methods and techniques to detect those skills and abilities of a participant as may be related to desired second career and occupational upgrading objectives;

"(3) second career and occupational upgrading counseling by individuals knowledgeable about the employment and training needs of middle-aged and older workers;

"(4) the establishment of second career objectives which will—

"(A) provide reasonable assurances to the participant that public and private sector demand exists for the skills developed in the second careers program; and

"(B) enable the participant to compete successfully in the job market; and

"(5) establishment of formal second careers training agreements, between participants and program sponsors, which—

"(A) set forth the career objectives of the participants and the steps required of each participant and prime sponsor to achieve these objectives;

"(B) will remain in force until its terms are fulfilled, or renegotiated or terminated according to such procedures as shall be prescribed by the Secretary; and

"(C) may be renegotiated or terminated, at any time, by the participant, or by the program sponsor for good cause.

"(c) The Secretary is hereby authorized to pay program sponsors reasonable training costs to participants in second careers programs to the extent necessary to achieve the objectives of such programs in accordance with regulations prescribed by the Secretary, but in no case shall

such payment exceed the permissible maximum under section 122(i)(1). Such costs may include reasonable tuition for participants engaged in technical or other institutional training and payments to program sponsors providing on-the-job training, provided that such payments are based on the actual number of hours of such training given to the second careers program participant. The Secretary is authorized to pay for equipment, materials, and such other costs necessary for a participant to achieve the objectives of his second careers program.

"(d) Programs assisted under this section may provide for participation in employment and training programs on a part-time or flexible-time basis.

"(e) Participants in programs authorized under this section shall be individuals over the age of forty who are unemployed, underemployed, or economically disadvantaged, who have a family income (exclusive of any income received under a Federal or State welfare or unemployment program) which is not in excess of 125 percent of the poverty level established by the Director of the Office of Management and Budget.

"(f) For the purposes of carrying out this section, the Secretary shall reserve from funds available for this title not more than 5 percent of the amount available for this title.

"(g) No provision of this section shall be construed as intending any diminution of the employment and training opportunities available to workers over forty years of age under titles II, VI, and VII of this Act.

"PART B—RESEARCH, TRAINING, AND EVALUATION

"RESEARCH

"SEC. 311. (a) To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of employment and training research utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's employment and training problems. The programs required by this section may include, but need not be limited to, studies, the findings of which may contribute to the formulation of employment and training policy; development or improvement of employment and training programs; increased knowledge about labor market processes, including programs designed to eliminate artificial barriers to employment; reduction of unemployment and its relationships to price stability; promotion of more effective worker development, training, and utilization; improved national, regional and local means of measuring future labor demand and supply; enhancement of job opportunities; skill training to qualify employees for positions of greater skill, responsibility, and remuneration; meeting of worker shortages; easing of the transition from school to work, from income transfer payment dependency to employment, from one job to another, and from work to retirement; testing the usefulness of sheltered employment for the difficult to employ; opportunities and services for older persons who desire to enter or reenter the labor force; and for improvement of opportunities for employment and advancement through the reduction of discrimination and disadvantage arising from poverty, ignorance, or prejudice.

"*(b) The Secretary shall establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public agencies or private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting employment and training problems. Nothing in this subsection shall authorize the Secretary to carry out employment programs experimenting with subsidized wages in the private sector or wages less than wages established by the Fair Labor Standards Act of 1938 for employment subject to that Act. In carrying out this subsection, the Secretary shall consult with such other agencies as may be appropriate. Where programs under this section require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary and the Secretary of Health, Education, and Welfare.*

"*(c) The Secretary is authorized to conduct supportive employment and training projects of an experimental and demonstration nature as part of, or coordinated with, experimental or demonstration programs of a similar nature that the Secretary has been conducting for unemployed persons with serious problems in the labor market, such as juvenile delinquents, mentally and emotionally handicapped individuals, alcoholics, ex-addicts, ex-offenders, and recipients of aid to families with dependent children, to enable them, through temporary, highly structured and supervised work experience, to make the transition to employment or self-employment. Such programs shall provide for skill training as required to effect such transition.*

"*(d) The Secretary is authorized to undertake research programs to (1) investigate the applicability of job-sharing, work-sharing and other flexible work hours arrangements in various settings, and of the incentives and technical assistance required by employers to implement such alternative working arrangements; and (2) investigate the extent to which job and wage classification systems undervalue certain skills and responsibilities on the basis of the sex of persons who usually hold the positions.*

"*(e) The Secretary is authorized to conduct a variety of demonstration and experimental projects to test the best methods of assisting persons, who might otherwise rely on public assistance or other income assistance, to find nonfederally assisted employment in the private and public sectors, and to provide federally assisted work and training opportunities for any such persons who are unable to find nonfederally assisted work or training opportunities. Such demonstration and experimental projects and programs are to be conducted, to the extent practicable, in rural and urban areas, in sparsely and densely populated areas, and in areas with inadequate means of transportation.*

"*(f) The Secretary is authorized to conduct demonstration programs and projects, which provide expanded guidance and counseling services to participants under this Act through community vocational resource centers established in economically distressed communities or areas pursuant to section 132(a)(7) of the Vocational Educational Amendments of 1976. Such programs shall provide State boards of vocational education, which establish such community vocational resource centers, with funding for up to 50 per centum of the cost of such projects. The Secretary may make such funds available to a State board of vocational education when such board reaches agreement with the prime sponsor to assist out-of-school individuals in reentering school at the secondary or postsecondary* *level, to take advantage of vocational skill training opportunities including cooperative education and work-study programs, and to be offered referral to other training programs, apprenticeship programs, and on-the-job training for which academic credit may be available. Projects shall include provisions for outreach to inform the economically disadvantaged of the assistance available through the community resource centers and to provide assurances that programs will be coordinated with other guidance and counseling activities of the prime sponsor, including activities under section 445(c), other in-school guidance and counseling programs in the area, State employment service offices, and the activities of the private industry councils established pursuant to title VII of this Act.*

"*(g) The Secretary shall conduct educational and assistance programs designed to eliminate artificial barriers to employment based upon race, sex, national origin, age, records of arrest or conviction, handicaps, marital status, or other criteria. To support such programs, information shall be developed identifying all such artificial barriers, the numbers of persons affected, the manner in which such barriers operate and how such barriers can best be eliminated. In complying with the requirements of this subsection, the Secretary shall consult with the Department of Health, Education, and Welfare, the United States Civil Rights Commission, and the Equal Employment Opportunity Commission.*

"*LABOR MARKET INFORMATION AND JOB BANK PROGRAM*

"*SEC. 312. (a) The Secretary shall develop a comprehensive system of labor market information on a national, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.*

"*(b) In addition to the monthly national unemployment statistics, the Secretary shall develop reliable methods, including the use of selected sample surveys, to produce more statistically accurate data on unemployment by State and local areas, and shall investigate alternative methods to produce more accurate data on underemployment and labor demand by State and local areas.*

"*(c) The Secretary shall develop data for an annual statistical measure of labor market related economic hardship in the Nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.*

"*(d) The Secretary shall develop methods to establish and maintain more comprehensive household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.*

"*(e) The Secretary shall set aside, out of sums available to the Department for any fiscal year including sums available for this title, an amount which the Secretary determines is necessary and appropriate to carry out the provisions of this section, and shall, no later than sixty days after such sums are appropriated and made available, notify the appropriate committees of the Congress of the amount so set aside and the basis for the determination of need and appropriateness.*

"*(e) The Secretary shall establish and carry out a nationwide computerized job bank and matching program (including the listing of all suitable employment openings with local offices of the State employment service agencies by Federal contractors and subcontractors and providing* *for the affirmative action as required by section 2012(a) of title 38, United States Code) on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available persons and job vacancies, providing an expeditious means of matching the qualification of unemployed, underemployed, and economically disadvantaged persons with employer requirements and job opportunities, and referring and placing such persons in jobs.*

"EVALUATION

"SEC. 313. (a) The Secretary shall provide for the continuing evaluation of all programs, activities, and research and demonstration projects conducted pursuant to this Act, including their cost-effectiveness in achieving the purposes of this Act, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons by age, sex, race, and national origin, and the adequacy of the mechanism for the delivery of services. In conducting evaluations the Secretary shall compare the effectiveness of programs conducted by prime sponsors of the same class and of different classes, and shall compare the effectiveness of programs conducted by prime sponsors with similar programs carried out by the Secretary under the Act. The Secretary shall also arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs.

"(b) The Secretary shall evaluate the effectiveness of programs authorized under this Act and part C of title IV of the Social Security Act with respect to the statutory goals and objectives, including increases in employment and earnings for participants, duration in training and employment situations, information on the post-enrollment labor market experience of program participants for at least a year following their termination from such programs, and comparable information on other employees or trainees of participating employers.

"(c) In order to reduce the paperwork burden and costs on prime sponsors, project applicants and program agents, in carrying out evaluations of the cost-effectiveness of identical or similar programs of prime sponsors, the impact of such programs on communities and agents, the implication for related programs, and the adequacy of the mechanism for the delivery of services, the Secretary shall to the maximum extent possible, consistent with the purposes of this Act, use statistical sampling techniques.

"(d) The Secretary shall prepare and submit to the Congress an annual evaluation plan, setting forth major themes for the areas of research, statistics, evaluation, experimentation, and demonstrations to be undertaken in the succeeding fiscal year, the program purposes and policy alternatives to which each such area is related and the current and proposed funding and staffing levels. The Secretary shall specify in the portions of the plan relating to experimentation and demonstrations the intended outcome of proposed major innovations and the amount of time required to test the innovations or to achieve adoption of the demonstration. The information required by this subsection may be included in the annual report of the Secretary under section 127(a).

"(e) The Secretary shall prepare and submit to the Congress an annual evaluation report for employment and training programs. Such report may

be included in the annual report of the Secretary under section 127(a). The Secretary shall include in such report—

"(1) a summary of the achievements, failures, and problems of the various programs authorized in this Act in meeting the objectives of this Act;

"(2) a summary of major findings from research, evaluation, and experiments conducted in the previous fiscal year;

"(3) recommendations for program modifications based upon analysis of such findings; and

"(4) such other recommendations for legislative or administrative action as the Secretary deems appropriate.

"(f) The Secretary shall develop an ongoing program to notify prime sponsors of experiments and demonstrations to be conducted in their States and shall disseminate to prime sponsors and Governors the results of all research, demonstrations, evaluations, and experiments of employment and training programs.

"(g)(1) The Secretary shall—

"(A) develop standard definitions of 'enrollments', 'completions', 'job placements', and 'training-related job placements' for classroom and on-the-job training programs funded under this Act;

"(B) establish procedures for the uniform reporting by prime sponsors of information on enrollments, completions, job placements, and training related placements by detailed occupational or training code for classroom and on-the-job training programs funded under this Act; and

"(C) make a report to the Congress not later than March 1, 1980, and annually thereafter, containing a summary of the information described in subparagraph (B) together with such analysis and recommendations as the Secretary deems advisable.

(2) The information required by paragraph (1)(C) may be included in the annual report of the Secretary under section 127(a).

"(3) For the purposes of this subsection, the term 'detailed occupational or training code' shall mean any occupational or training code equivalent in detail to the Standard Occupational Classification at the four-digit level.

"TRAINING AND TECHNICAL ASSISTANCE

"SEC. 314. The Secretary, in consultation with the Secretary of Health, Education, and Welfare, or other appropriate officials, shall provide directly or through grants, contracts, or other arrangements, appropriate preservice and inservice training for specialized, supportive, supervisory, or other personnel, and appropriate technical assistance with respect to programs under this Act.

"NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE

"SEC. 315. (a) The National Occupational Information Coordinating Committee, in carrying out its responsibilities under this section, shall give special attention to the labor market information needs of youth, including activities such as, but not limited to—

"(1) assisting and encouraging local areas to adopt methods of translating national aggregate occupational outlook data into local terms;

"(2) providing technical assistance for programs of computer on-line terminals and other facilities to utilize and implement occupational and career outlook information and projections supplied by State employment service agencies and to improve the match of youth career desires with available and anticipated labor demand;

"(3) assisting and encouraging the development of State occupational information systems, accessible to local schools, including pilot programs in the use of computers to facilitate such access; and

"(4) in cooperation with State and local correctional agencies, encouraging programs of counseling and employment services for youth in correctional institutions.

"(5) in cooperation with State and local educational agencies, and other appropriate persons and organizations, encouraging programs to make available employment and career counseling to postsecondary youths; and

"(6) providing technical assistance for programs designed to encourage public and private employers to list all available job opportunities for youths with the appropriate eligible applicant conducting occupational information and career counseling programs, local public employment services offices and to encourage cooperation and contact among such eligible applicants, employers, and offices.

"(b) All funds available to the National Occupational Information Coordinating Committee under this Act, under section 161 of the Vocational Education Act of 1963 and under section 12 of the Career Education Act may be used by the Committee to carry out any of its functions and responsibilities authorized by law.

"*EVALUATIONS AND INCENTIVE GRANTS*

"SEC. 316. (a) Any prime sponsor may volunteer for an evaluation of its title II programs by the Department of Labor. Such evaluation may include monitoring of the rate of placement of title II enrollees after leaving the title II program, the salaries paid to such enrollees, the length of time that they remain in the job, and whatever other information that the Secretary determines, by regulation, is important in evaluating the performance of the prime sponsors. For purposes of making this evaluation, the performance of the prime sponsor shall be assessed by comparing enrollees to a comparable group of nonenrollees within the prime sponsor's area.

"(b) The Secretary shall make awards from the funds appropriated under this title to those prime sponsors which have performed well in their title II functions. The Secretary shall make awards according to a unit measurement; each such unit may consist of some degree of improvement among title II enrollees in job placement, salary, longevity, and whatever other factors the Secretary determines, by regulation, are important (each factor shall be weighed by the Secretary in a manner which best effectuates the purposes of this Act), over performance on each of the criteria set forth in this section by a comparable group of nonenrollees in the prime sponsor's area.

"*VOUCHER DEMONSTRATION PROJECTS*

"SEC. 317. (a) The Secretary shall establish a special voucher project to demonstrate the efficacy of providing vouchers to economically disadvan-

taged persons who are unemployed or underemployed. Such vouchers shall entitle private employers who provide employment with or without training to such individuals to payment in amounts equal to the value of the voucher pursuant to regulations of the Secretary.

"(*b*) *In establishing regulations under this section, the Secretary shall establish criteria, eligibility of participants and portability of vouchers between qualifying employers, the value of vouchers, the guarantees against displacement of eligible workers, and such other factors as the Secretary deems appropriate.*

"(*c*) *Not later than March 1, 1981, the Secretary shall prepare and submit to the Congress a report evaluating the effectiveness of the demonstration projects conducted pursuant to this section, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate. The information required by this subsection may be included in the appropriate annual report of the Secretary under section 127*(*a*).

"EMPLOYMENT AND TRAINING ACTIVITIES TO STIMULATE LOCAL PRIVATE ECONOMIC DEVELOPMENT

"*Sec. 318.* (*a*) *The Secretary is authorized to carry out a special experimental program to link the employment and training activities of prime sponsors to a workable strategy for stimulating local private economic development and replacement of declining industries. Any determination concerning the nature of skills to be provided in training and retraining programs shall be made after consultation with agencies charged with fostering the growth or introduction of industries in a given labor market. This experiment may include use of vouchers as authorized in section 317.*

"(*b*) *The Secretary shall take whatever action is necessary to assure that any experimental program conducted under this section is coordinated with Federal, State, regional, and local agencies responsible for administering and receiving funds from the Economic Development Administration pursuant to sections 201 and 202 of the Public Works and Economic Development Act of 1965 and from the Small Business Investment Act of 1958. Activities under any such program shall be consistent with the overall economic development plan for the area required by section 202*(*b*) (*10*) *of the Public Works and Economic Development Act of 1965.*

"*TITLE IV—YOUTH PROGRAMS*

"STATEMENT OF PURPOSE

"*Sec. 401. It is the purpose of this title to provide a broad range of coordinated employment and training programs for eligible youth in order to provide effectively for comprehensive employment and training services to improve their future employability and to explore and experiment with alternative methods for accomplishing such purposes.*

"DEFINITIONS

"*Sec. 402.* (*a*) *For purposes of parts B and C, the term 'eligible youth' means an economically disadvantaged youth who is* (*1*) *either unemployed, underemployed, or in school, and* (*2*) *either age 16 to 21 inclusive, or if authorized under regulations of the Secretary, age 14 to 15 inclusive. Noth-*

ing in this section shall be construed to prohibit the provision of day care for the children of eligible youths.

"(*b*) *For the purposes of subpart 1 of part A, the term 'eligible youth' means a youth between the ages of 16 and 19 inclusive, the income of whose family is at or below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.*

"*PART A—YOUTH EMPLOYMENT DEMONSTRATION PROGRAMS*

"*STATEMENT OF PURPOSE*

"*SEC. 411. It is the purpose of this part to establish a variety of employment, training, and demonstration programs to explore methods of dealing with the structural unemployment problems of the Nation's youth. The basic purpose of the demonstration programs shall be to test the relative efficacy of different ways of dealing with these problems in different local contexts, but this basic purpose shall not preclude the funding of programs dealing with the immediate difficulties faced by youths who are in need of, and unable to find, jobs. It is explicitly not the purpose of this part to provide make-work opportunities for unemployed youth; instead, it is the purpose to provide youth, and particularly economically disadvantaged youth, with opportunities to learn and earn that will lead to meaningful employment or self-employment opportunities after they have completed the program.*

"*Subpart 1—Youth Incentive Entitlement Pilot Projects*

"*ENTITLEMENT PILOT PROJECTS AUTHORIZED*

"*SEC. 416.* (*a*) *The Secretary shall enter into arrangements with prime sponsors selected in accordance with the provisions of this subpart for the purpose of demonstrating the efficacy of guaranteeing otherwise unavailable part-time employment, or combination of part-time employment and training, for economically disadvantaged youth between the ages of 16 and 19, inclusive, during the school year who resume or maintain attendance in secondary school for the purpose of acquiring a high school diploma or in a program which leads to a certificate of high school equivalency and full-time employment or part-time employment and training during the summer months to each such youth.*

"(*b*) *Each prime sponsor who applies for and is selected by the Secretary to carry out a pilot project under this subpart shall guarantee the employment described in subsection* (*a*) *to each such unemployed youth described in subsection* (*a*) *who resides within the area or a designated part thereof served by the prime sponsor and who applies to that prime sponsor for employment. The Secretary shall provide to each prime sponsor, from funds appropriated for carrying out this subpart, in combination with any funds made available by such prime sponsor according to an agreement made pursuant to section 418*(*a*)(*4*)(*F*), *the amount to which that prime sponsor is entitled under subsection* (*c*).

"(*c*) *Each prime sponsor shall be entitled to receive, for each youth who is provided employment by that prime sponsor, the costs associated with providing such employment. Such costs shall take into account funds made available by such prime sponsor under section 418*(*a*)(*4*)(*F*).

"EMPLOYMENT GUARANTEES

"Sec. 417. Employment opportunities guaranteed under this subpart shall take the form of any one of the following or any combination thereof:

"(1) Part-time employment or training or combination thereof during the school year, not to exceed an average of 20 hours per week for each youth employed, and not to last less than 6 months nor more than 9, on projects operated by community-based organizations of demonstrated effectiveness which have a knowledge of the needs of disadvantaged youth; local educational agencies; institutions of higher education; nonprofit private organizations or institutions engaged in public service; nonprofit voluntary youth organizations; nonprofit private associations, such as labor organizations, educational associations, business, cultural, or other private associations; units of general local government; or special purpose political subdivisions either having the power to levy taxes and spend funds or serving such special purpose in 2 or more units of general local government.

"(2) Part-time employment on an individual basis in any of the institutions and under the same conditions provided for in clause (1).

"(3) Part-time employment on either a project or individual basis in any of the institutions and under the same conditions as provided in clause (1) which includes as part of the employment on-the-job or apprenticeship training.

"(4) Full-time employment during the summer months, not to exceed 40 hours per week for each youth employed, and not to last less than 8 weeks in any of the institutions described in clause (1).

"SELECTING PRIME SPONSORS

"Sec. 418. (a) In selecting prime sponsors to operate youth incentive entitlement projects, the Secretary shall—

"(1) select prime sponsors from areas with differing socioeconomic and regional circumstances such as differing unemployment rates, school dropout rates, urban and rural variations, size, and other such factors designed to test the efficacy of a youth job entitlement in a variety of differing locations and circumstances;

"(2) take into consideration the extent to which the prime sponsors devote funds made available under title II and part C of this title for the purpose of carrying out a youth incentive entitlement project or for supportive services;

"(3) take into consideration the extent to which new and different classifications, occupations, or restructured jobs are created for youth;

"(4) select only prime sponsors which submit proposals which include—

"(A) a description of the procedure to be utilized by the prime sponsor to publicize, consider, approve, audit, and monitor youth incentive projects or jobs funded by the prime sponsor under this part, including copies of proposed application materials, as well as examples of audit and client characteristics reports;

"(B) a statement of the estimated number of economically disadvantaged youth to be served by the prime sponsor, and

assurances that only such disadvantaged youth will be served;

"(C) assurances that the provisions of sections 442 and 443 are met relating to wage provisions and special conditions;

"(D) assurances that the prime sponsor has consulted with public and private nonprofit educational agencies including vocational and postsecondary education institutions and other agencies which offer high school equivalency programs; public employers, including law enforcement and judicial agencies; State and local public assistance agencies; labor organizations; voluntary youth groups; community-based organizations; organizations of demonstrated effectiveness with a special knowledge of the needs of such disadvantaged youth; and with the private sector in the development of the plan, and assurances that arrangements are made with appropriate groups to assist the prime sponsor in carrying out the purposes of this subpart;

"(E) assurances that arrangements are mzde with the State employment security agencies to carry out the purposes of this subpart;

"(F) an agreement that funds available under title II for economically disadvantaged youth employment programs and funds available for the summer youth program under part C of this title for youth eligible under subsection (a) will be used in support of the project authorized under this subpart;

"(G) assurances that the employment of eligible youth meets the requirements of eligible activities under section 419;

"(H) assurances that participating youth shall not be employed more than an average of 20 hours per week during the school year and not more than forty hours per week during the summer;

"(I) assurances that a participating youth is not a relative of any person with responsibility for hiring a person to fill that job;

"(J) assurances that whenever employment involves additional on-the-job, institutional, or apprenticeship training provided by the employer, and if such training is not paid for in full or in part by the prime sponsor under any other program authorized under this Act, wages may be paid in accordance with the provisions of subsection (b) of section 14 of the Fair Labor Standards Act of 1938, and with the balance being applied to the cost of training;

"(K) assurances that arrangements have been made with the appropriate local education agency or with the institution offering a certified high school equivalency program that such youth is enrolled and meeting the minimum academic and attendance requirements of that school or education program and with employers that such youth meet the minimum work and attendance requirements of such employment and that any employment guarantee is conditioned on such enrollment;

"(L) assurances that special efforts will be made to recruit youth from families receiving public assistance, including parents of dependent children who meet the age requirement of this subpart; and

"(M) assurances that the prime sponsor will make available the data necessary for the Secretary to prepare the reports required by section 420.

"(b) In approving a prime sponsor to operate a youth incentive entitlement pilot project under this subpart the Secretary may also test the efficacy of any such project involving—

"(1) the use of a variety of subsidies to private for-profit employers, notwithstanding the provisions of sections 417 and 419(a), to encourage such employers to provide employment and training opportunities under this subpart, but no such subsidy shall exceed the net cost to the employer of the wages paid and training provided;

"(2) arrangements with unions to enable youth to enter into apprenticeship training as part of the employment provided under this subpart;

"(3) a variety of administrative mechanisms to facilitate the employment of youths under an entitlement arrangement;

"(4) the inclusion of economically disadvantaged youths between the ages of 19 and 25 who have not received their high school diploma;

"(5) the inclusion of occupational and career counseling, outreach, career, exploration, and on-the-job training and apprenticeship as part of the employment entitlement; and

"(6) the inclusion of youth under the jurisdiction of the juvenile or criminal justice system with the approval of the appropriate authorities.

"SPECIAL PROVISIONS

"SEC. 419. (a) Employment and training under this subpart shall develop the participant's role as a meaningful member of the community, and may include employment and training in such fields as environmental quality, health care, education, self-employment, social services, public safety, crime prevention and control, transportation, recreation, neighborhood improvement, rural development, conservation, beautification, and community improvement projects.

"(b) No funds for employment under this subpart shall be used to provide public services through a nonprofit organization, association, or institution, or a nonprofit private institution of higher education, or any other applicant, which were previously provided by a political subdivision or local educational agency in the area served by the project of where the employment and training takes place, and no funds will be used under subpart to provide such services through such an organization or institution which are customarily provided only by a political subdivision or local educational agency in the area served by such project or where the employment and training takes place.

"REPORTS

"SEC. 420. The Secretary shall report to the Congress not later than March 15, 1979, on his interim findings on the efficacy of a youth incentive entitlement. The Secretary shall submit another report not later than December 31, 1979, concerning the youth incentive entitlement projects authorized under this subpart. Included in such reports shall be findings with respect to—

"(1) the number of youths enrolled at the time of the report;

"(2) the cost of providing employment opportunities to such youths;

"(3) the degree to which such employment opportunities have caused out-of-school youths to return to school or others to remain in school;

"(4) the number of youths provided employment in relation to the total which might have been eligible;

"(5) the kinds of jobs provided such youths and a description of the employers—public and private—providing such employment;

"(6) the degree to which on-the-job or apprenticeship training has been offered as part of the employment;

"(7) the estimated cost of such a program if it were to be extended to all areas;

"(8) the effect such employment opportunities have had on reducing youth unemployment in the areas of the prime sponsors operating a project; and

"(9) the impact of job opportunities provided under the project on other job opportunities for youths in the area.

"Subpart 2—Youth Community Conservation and Improvement Projects

"STATEMENT OF PURPOSE

"Sec. 421. It is the purpose of this subpart to establish a program of community conservation and improvement projects to provide employment, work experience, skill training, and opportunities for community service to eligible youths, for a period not to exceed 12 months, supplementary to but not replacing opportunities available under title II.

"DEFINITIONS

"Sec. 422. As used in this subpart, the term—

"(1) 'eligible applicant' means any prime sponsor qualified under section 101 of this Act, sponsors of Native American programs qualified under section 302 (c)(1) of this Act, and sponsors of migrant and seasonal farmworkers programs qualified under section 303 of this Act;

"(2) 'project applicant' shall have the same meaning as in section 3(20) of this Act;

"(3) 'eligible youths' means individuals who are unemployed and, at the time of entering employment under this subpart, are ages sixteen to nineteen, inclusive; and

"(4) 'community improvement projects' means projects providing work which would not otherwise be carried out, including, but not limited to, the rehabilitation or improvement of public facilities; neighborhood improvements; weatherization and basic repairs to low-income housing; energy conservation including solar energy techniques, especially those utilizing materials, and supplies available without cost; removal of architectural barriers to access, by handicapped persons, to public facilities; and conservation, maintenance, or restoration of natural resources on publicly held lands other than Federal lands.

"ALLOCATION OF FUNDS

"Sec. 423. (a) Funds available to carry out this subpart for any fiscal year shall be allocated in such a manner that not less than 75 percent of such funds shall be allocated among the States on the basis of the relative

number of unemployed persons within each State as compared to all States, except that not less than one-half of 1 percent such funds shall be allocated for projects under this subpart within any one State and not less than one-half of 1 percent of such funds shall be all edion to the aggregate for projects in Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands and the Trust Territory of the Pacific Islands.

"*(b) Of the funds available for this subpart, 2 percent shall be available for projcts for Native American eligible youths, and 2 percent shall be available for projects for eligible youths in migrant and seasonal farm worker families.*

"*(c) The remainder of the funds available for this subpart shall be allocated as the Secretary deems appropriate.*

"*COMMUNITY CONSERVATION AND IMPROVEMENT YOUTH EMPLOYMENT PROJECTS*

"*SEC. 424. The Secretary is authorized, in accordance with the provision of this subpart, to enter into agreements with eligible applicants to pay the costs of community conservation and improvement youth employment projects to be carried out by project applicants employing eligible youths and appropriate supervisory personnel.*

"*PROJECT APPLICATIONS*

"*SEC. 425. (a) Projct applicants shall submit applications for funding of projects under this subpart to the approriate eligible applicant.*

"*(b) In accordance with regulations prescribed by the Secretary, each project application shall—*

> "*(1) provide a description of the work to be accomplished by the project, the jobs to be filled, and the approximate duration for which eligible youths would be assigned to such jobs;*
>
> "*(2) describe the wages or salaries to be paid individuals employed in jobs assisted under this subpart;*
>
> "*(3) set forth assurances that there will be an adequate number of supervisory personnel on the project and that the supervisory personnel are adequately trained in skills needed to carry out the project and can instruct participating eligible youths in skills needed to carry out the project;*
>
> "*(4) set forth assurances that any income generated by the project will be applied toward the cost of the project;*
>
> "*(5) set forth assurances for acquiring such space, supplies, materials, and equipment as necessary, including reasonable payment for the purchase or rental thereof;*
>
> "*(6) set forth assurances that, to the maximum extent feasible, projects carried out under this subpart shall be labor intensive; and*
>
> "*(7) set forth such other assurances, arrangements, and conditions as the Secretary deems appropriate to carry out the purposes of this subpart.*

"*PROPOSED AGREEMENTS*

"*SEC. 426. (a)(1) Each eligible applicant desiring funds under this subpart shall submit a proposed agreement to the Secretary, together with all project applications approved by the eligible applicant and all project applications approved by any program agent within the area served by the eligible applicant. With its transmittal of the proposed agreement, the* *eligible applicant shall provide descriptions of the project applications approved by the eligible applicant and by any program agent within the area served by the eligible applicant, accompanied by the recommendations of the eligible applicant concerning the relative priority attached to each project.*

"*(2) The functions of a program agent shall be as set forth in section 606(b)(2) of this Act.*

"*(b) The proposed agreement submitted by any eligible applicant shall—*

"*(1) describe the method of recruiting eligible youths, including a description of how such recruitment will be coordinated with plans under other provisions of this Act, including arrangements required by section 105, of this Act, and also including a description of arrangements with school systems, the public employment service (including school cooperative programs), the courts of jurisdiction for status and youthful offenders, and a description of arrangements with public assistance agencies on the employment of youth from families receiving public assistance, including parents of dependent children;*

"*(2) provide a description of job training and skill development opportunities that will be made available to participating eligible youths, as well as a description of plans to coordinate the training and work experience with school-related programs, including the awarding of academic credit; and*

"*(3) set forth such other assurances as the Secretary may require to carry out the purposes of this subpart.*

"*(c)(1) In order for a project application submitted by a project applicant to be submitted to the Secretary by any eligible applicant, copies of such application shall have been submitted at the time of such application to the prime sponsor's planning council established under section 109 (or an appropriate planning organization in the case of sponsors of Native American programs under section 302 of this Act or migrant and seasonal farmworker programs under section 303 of this Act) for the purpose of affording such council (and the youth council established under section 436) an opportunity to submit comments and recommendations with respect to that application to the eligible applicant. No member of any council (or organization) shall cast a vote on any matter in connection with a project in which that member, or any organization with which that member is associated, has a direct interest.*

"*(2) Consistent with procedures established by the eligible applicant in accordance with regulations which the Secretary shall prescribe, the eligible applicant shall not disapprove a project application submitted by a project applicant unless it has first considered any comments and recommendations made by the appropriate council (or organization) and unless it has provided such applicant and council (or organization) with a written statement of its reasons for such disapproval.*

"APPROVAL OF AGREEMENTS

"*SEC. 427. (a) The Secretary may approve or deny on an individual basis any of the project applications submitted with any proposed agreement.*

"*(b) No funds shall be made available to any eligible applicant except pursuant to an agreement entered into between the Secretary and the eligible* *applicant which provides assurances satisfactory to the Secretary that—*

"(1) The standards set forth in subpart 4 will be satisfied;

"(2) projects will be conducted in such manner as to permit eligible youths employed in the project who are in school to coordinate their jobs with classroom instruction and, to the extent feasible, to permit such eligible youths to receive credit from the appropriate educational agency, postsecondary institution, or particular school involved; and

"(3) meet such other assurances, arrangements, and conditions as the Secretary deems appropriate to carry out the purposes of this subpart.

"WORK LIMITATION

"Sec. 428. No eligible youth shall be employed for more than twelve months in work financed under this subpart, except as prescribed by the Secretary.

"Subpart 3—Youth Employment and Training Programs

"STATEMENT OF PURPOSE

"Sec. 431. It is the purpose of this subpart to establish programs designed to make a significant long-term impact on the structural unemployment problems of youth, supplementary to but not replacing programs and activities available under title II of this Act, to enhance the job prospects and career opportunities of young persons, including employment, community service opportunities, and such training and supportive services as are necessary to enable participants to secure suitable and appropriate unsubsidized employment in the public and private sectors of the economy. To the maximum extent feasible, training and employment opportunities afforded under this subpart shall be interrelated and mutually reinforcing so as to achieve the goal of enhancing the job prospects and career opportunities of youths served under this subpart.

"PROGRAMS AUTHORIZED

"Sec. 432. (a) The Secretary is authorized to provide financial assistance to enable eligible applicants to provide employment opportunities and appropriate training and supportive services for eligible participants, including

"(1) useful work experience opportunities in a wide range of community betterment activities such as rehabilitation of public properties, assistance in the weatherization of homes occupied by low-income families, demonstrations of energy-conserving measures, including solar energy techniques (especially those utilizing materials and supplies available without cost), park establishment and upgrading, neighborhood revitalization, conservation and improvements, removal of architectural barriers to access, by handicapped individuals, to public facilities, and related activities;

"(2) productive employment and work experience in fields such as education, health care, neighborhood transportation services, crime prevention and control, environmental quality control (including integrated pest management activities), preservation of historic sites, and maintenance of visitor facilities;

"*(3) appropriate training and services to support the purpose of this subpart, including—*

"*(A) outreach, assessment, and orientation;*

"*(B) counseling, including occupational information and career counseling;*

"*(C) activities promoting education to work transition;*

"*(D) development of information concerning the labor market, and provision of occupational, educational, and training information;*

"*(E) services to youth to help them obtain and retain employment;*

"*(F) literacy training and bilingual training;*

"*(G) attainment of certificates of high school equivalency;*

"*(H) job sampling, including vocational exploration in the public and private sector;*

"*(I) institutional and on-the-job training, including development of basic skills and job skills;*

"*(J) transportation assistance;*

"*(K) child care and other necessary supportive services;*

"*(L) job restructuring to make jobs more responsive to the objectives of this subpart, including assistance to employers in developing job ladders or new job opportunities for youths, in order to improve work relationships between employers and youths;*

"*(M) community-based central intake and information services for youth;*

"*(N) job development, direct placement, and placement assistance to secure unsubsidized employment opportunities for youth to the maximum extent feasible, and referral to employability development programs;*

"*(O) programs to overcome sex-stereotyping in job development and placement; and*

"*(P) programs and outreach mechanisms to increase the labor force participation rate among minorities and women.*

"*(b) In order to carry out this subpart, a Governor or a prime sponsor may enter into contracts with project applicants (as defined in section 3(20) or employers organized for profit, but payments to such employers shall not exceed the amounts permitted under section 121(l), or may operate programs directly if, after consultation with community-based organizations and nonprofit groups, a Governor or prime sponsor determines that such direct operation will promote the purposes of this subpart.*

"ALLOCATION OF FUNDS

"*SEC. 433. (a) From the sums available for this subpart—*

"*(1) an amount equal to 75 percent of such funds shall be made available to prime sponsors for programs authorized under section 432;*

"*(2) an amount equal to 5 percent of the amount available for this part shall be made available to Governors for special statewide youth services under subsection (c);*

"*(3) an amount equal to not less than 2 percent of the amount available for this part shall be made available for employment and training programs for Native American eligible youths (deducting* *such amounts as are made available for such purposes under section 423(b);*

"(4) an amount equal to not less than 2 percent of the amount available for this subpart shall be made available for employment and training programs for eligible youths in migrant and seasonal farmworker families (deducting such amounts as are made available for such purposes under section 423(b); and

"(5) the remainder of the funds available for this subpart shall be available for the Secretary's discretionary projects authorized under section 438.

"(b)(1) Amounts available for each of the purposes set forth in paragraphs (1) and (2) of subsection (a) shall be allocated among the States in such a manner that—

"(A) 37.5 percent thereof shall be allocated in accordance with the relative number of unemployed persons within each State as compared to the total number of such unemployed persons in all States;

"(B) 37.5 percent thereof shall be allocated in accordance with the relative number of unemployed persons residing in areas of substantial unemployment (as defined in section 3(2) within each State as compared to the total number of unemployed persons residing in all such areas in all States; and

"(C) 25 percent thereof shall be allocated in accordance with the relative number of persons in families with an annual income below the low-income level (as defined in section 3(16) within each State as compared to the total number of such persons in all States.

"(2) In determining allocations under this subsection the Secretary shall use what the Secretary determines to be the best available data.

"(3) Amounts available to prime sponsors under paragraph (1) of subsection (a) shall, out of the total amounts allocated to each State under such paragraph, be allocated by the Secretary among prime sponsors within each State, in accordance with the factors set forth in paragraph (1) of this subsection.

"(c) The amount available to the Governor of each State under paragraph (2) of subsection (a) shall be used in accordance with a special statewide youth services plan, approved by the Secretary, for such purposes as—

"(1) providing financial assistance for employment and training opportunities for eligible youths who are under the supervision of the State;

"(2) providing labor market and occupational information to prime sponsors and local educational agencies, without reimbursement;

"(3) providing for the establishment of cooperative efforts between State and local insititutions, including (A) occupational and carreer guidance and counseling and placement services for in-school and out-of-school youth; and (B) coordination of statewide activities carried out under the Career Education Incentive Act;

"(4) providing for the establishment of cooperative efforts between State and local institutions, including occupational and career guidance and counseling and placement services for in-school and out-of-school youth;

"(5) providing financial assistance for expanded and experimental programs in apprenticeship trades, or development of new apprentice-

ship arrangements, in concert with appropriate businesses and labor unions or State apprenticeship councils;

"(6) *carrying out special model employment and training programs and related services between appropriate State agencies and prime sponsors in the State, or any combination of such prime sponsors, including subcontractors selected by prime sponsors, with particular emphasis on experimental job training within the private sector.*

"(d)(1) *Not less than 22 percent of the amount allocated to each prime sponsor under paragraph* (1) *of subsection* (a) *of this section shall be used for programs under this subsection.*

"(2) *The amount available to each prime sponsor under paragraph* (1) *shall be used for programs for in-school youth carried out pursuant to agreements between prime sponsors and local educational agencies. Each such agreement shall describe in detail the employment opportunities and appropriate training and supportive services which shall be provided to eligible participants who are enrolled or who agree to enroll in a full-time program leading to a secondary school, diploma, a junior or community college degree, or a technical or trade school certificate of completion. Each such agreement shall contain provisions to assure that funds received pursuant to the agreement will not supplant State and local funds expended for the same purpose.*

"(e) *Programs receiving assistance under paragraph* (1) *of subsection* (a) *shall give special consideration in carrying out programs authorized under section 432, to community-based organizations (as defined in section 3(4)) which have demonstrated effectiveness in the delivery of employment and training services.*

"ELIGIBLE APPLICANTS

"SEC. *434. Eligible applicants for purposes of this subpart, except section 438, are prime sponsors qualified under section 101, sponsors of Native American programs qualified under section 302(c)(1), and sponsors of migrant and seasonal farmworker programs qualified under section 303.*

"ELIGIBLE PARTICIPANTS

"SEC. *435. Eligible participants for programs authorized under this subpart shall be persons who—*

"(1)(A) *are unemployed or are underemployed or are in school and are ages sixteen to 21, inclusive; or* (B) *if authorized under such regulations as the Secretary may prescribe, are in school and are ages fourteen to 15 inclusive; and*

"(2) *are not members of households which have current gross family income, adjusted to an annualized basis (exclusive of unemployment compensation and all Federal, State, and local income-tested or needs-tested public payments) at a rate exceeding 85 percent of the lower living standard income level, except that, pursuant to regulations which the Secretary shall prescribe, persons who do not meet the requirements of this subparagraph but who are otherwise eligible under this subpart may participate in appropriate activities of the type authorized under section 432(a).*

Notwithstanding the provisions of subsection (a), *10 percent of the funds available for this subpart may be used for programs which include youths of all economic backgrounds to test the desirability of including youths of all economic backgrounds.*

"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

"SEC. 436. (a) The Secretary shall not provide financial assistance to an eligible applicant for programs authorized under section 432 unless such eligible applicant provides assurances that the standards set forth in subpart 4 will be met and unless such eligible applicant submits an application in such detail as the Secretary may prescribe. Each such application shall—

"(1) describe the programs, projects, or activities to be carried out with such assistance, together with a description of the relationship and coordination of services provided to eligible participants under this subpart for similar services offered by local educational agencies, postsecondary institutions, the public employment service, the courts of jurisdiction for status and youthful offenders, other youth programs, community-based organizations, businesses and labor organizations consistent with the requirements of sections 121 and 203, and assurances that, to the maximum extent feasible, use will be made of any services that are available without reimbursement by the State employment service that will contribute to the achievement of the purposes of this subpart;

"(2) include assurances that the application will be coordinated to the maximum extent feasible, with the plans submitted under title II, but services to youth under that title shall not be reduced because of the availability of financial assistance under this subpart;

"(3) provide assurances, satisfactory to the Secretary, that in the implementation of programs under this subpart, there will be coordination, to the extent appropriate, with local educational agencies, postsecondary institutions, community-based organizations, public assistance agencies, businesses, labor organizations, job training programs, other youth programs, the apprenticeship system, the courts of jurisdiction for status and youthful offenders programs, and (with respect to the referral of prospective youth participants to the program) the public employment service system;

"(4) provide assurances that in the implementation of programs under this subpart, there will be coordination, to the extent feasible, with activities conducted under the Career Education Incentive Act;

"(5) provide assurance satisfactory to the Secretary that allowances will be paid in accordance with the provisions of section 124 of and such regulations as the Secretary may prescribe for this subpart;

"(6) provide assurances that the application will be reviewed by the appropriate prime sponsor planning council in accordance with the provisions of section 109;

"(7) provide assurances that a youth council will be established under the planning council of such eligible applicant (established under section 109) in accordance with subsection (b) of this section;

"(8) provide assurances satisfactory to the Secretary that effective means will be provided through which youths participating in the projects, programs, and activities may acquire appropriate job skills and be given necessary basic education and training and that suitable arrangements will be established to document the competencies, includ-

ing skills, education, and training, derived by each participant from programs established under this subpart;

"(9) provide assurances that the eligible applicant will take appropriate steps to develop new job classifications, new occupations, and restructured jobs;

"(10) provide that the funds available under section 433(d) shall be used for programs authorized under section 432 for in-school youth who are eligible participants through arrangements to be carried out by a local educational agency or agencies or postsecondary educational institution or institutions; and

"(11) provide such other information and assurance as the Secretary may deem appropriate to carry out the purposes of this subpart.

"(b) Each youth council established by an eligible applicant shall be responsible for making recommendations to the planning council established under section 109 with respect to planning and review of activities conducted under this subpart and subpart 2. Each such youth council's membership shall include representation from the local educational agency, local vocational education advisory council, postsecondary educational institutions, business, unions, the public employment service, local government and nongovernment agencies and organizations which are involved in meeting the special needs of youths, the community served by such applicant, the prime sponsor, and youths themselves.

"(c) No program of work experience for in-school youth supported under this subpart shall be entered into unless an agreement has been made between the prime sponsor and a local educational agency or agencies, after review by the youth council established under subsection (b). Each such agreement shall—

"(1) set forth assurances that participating youths will be provided meaningful work experience, which will improve their ability to make career decisions and which will provide them with basic work skills needed for regular employment or self-employment not subsidized under this in-school program;

"(2) be administered, under agreements with the prime sponsor, by a local educational agency or agencies or a postsecondary educational institution or institutions within the area served by the prime sponsor, and set forth assurances that such contracts have been reviewed by the youth council established under subsection (b);

"(3) set forth assurances that job information, counseling, guidance, and placement services will be made available to participating youths and that funds provided under this program will be available to, and utilized by, the local educational agency or agencies to the extent necessary to pay the cost of school-based counselors to carry out the provisions of this in-school program;

"(4) set forth assurances that jobs provided under this program will be certified by the participating educational agency or institution as relevant to the educational and career goals of the participating youths;

"(5) set forth assurances that the eligible applicant will advise participating youths of the availability of other employment and training resources provided under this Act, and other resources available in the local community to assist such youths in obtaining employment or self-employment;

"(6) set forth assurances that youth participants will be chosen from among youths who are eligible participants who need work to remain in school, and shall be selected by the appropriate educational agency or institution, based on the certification for each participating youth by the school-based guidance counselor that the work experience provided is an appropriate component of the overall educational program of each youth.

"REVIEW OF PLANS BY SECRETARY

"SEC. 437. The provisions of sections 102, 104, and 107 shall apply to all programs and activities authorized under section 432.

"SECRETARY'S DISCRETIONARY PROJECTS

"SEC. 438. (a)(1) The Secretary of Labor is authorized, either directly or by way of contract or other arrangement, with prime sponsors, public agencies, and private organizations to carry out innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth and to enable eligible participants to prepare for, enhance their prospects for, or secure employment in occupations through which they may reasonably be expected to advance to productive working lives. Such programs shall include, where appropriate, cooperative arrangements with educational agencies to provide special programs and services for eligible participants enrolled in secondary schools, postsecondary educational institutions, and technical and trade schools, including job experience, counseling and guidance prior to the completion of secondary or postsecondary education and making available occupational, educational, and training information through statewide career information systems.

"(2) In carrying out or supporting such programs, the Secretary shall consult, as appropriate, with the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Director of the ACTION Agency, and the Director of the Community Services Administration.

"(3) Funds available under this section may be transferred to other Federal departments and agencies to carry out functions delegated to them pursuant to agreements with the Secretary.

"(b) The Secretary and prime sponsors, as the case may be, shall give special consideration in carrying out innovative and experimental programs assisted under this section to community-based organizations (as defined in section 3(4)) which have demonstrated effectiveness in the delivery of employment and training services.

"YOUTH EMPLOYMENT INCENTIVE AND SOCIAL BONUS PROGRAM

"SEC. 439. (a) From funds available under section 438 the Secretary, through the use of prime sponsors where feasible, shall carry out in not more than 10 areas of high youth unemployment a youth employment incentive and social bonus demonstration program in order to test the efficacy of providing incentives for private industry to establish additional employment opportunities for youth without significant previous employment experience.

"(b)(1) The Secretary shall provide a social bonus of not more than $2,500 per year, in such amount and in such manner as the Secretary

shall prescribe, to each employer who, pursuant to an agreement under this section, has employed 5 eligible youths for at least 35 hours per week for a period of not less than one year. The Secretary may allow for payment after 9 months in exceptional circumstances.

"(2) A youth is eligible is such youth is economically disadvantaged, unemployed, and has no significant previous employment, as determined by the Secretary. No youth may participate in this program for more than 18 months.

"(3) An employer may receive a social bonus for each such youth employed if—

"(A) the employer has at least 5 eligible youths in the program; and

"(B) the employer offers each youth in the program appropriate training, supportive services, and counseling.

If such training includes on-the-job training, the social bonus shall be in addition to any moneys received under the on-the-job training agreement.

"(c) In the selection of employers to carry out projects under this section, the Secretary shall give priority to urban poverty areas in which the State or local government provides for special tax treatment for any employer which locates or expands within the urban poverty area, and to any employer establishing a new facility in an urban poverty area.

"(d) No payment for a social bonus may be made under this section unless—

"(1) youth employed under this program are paid no less than the higher of the prevailing rate of pay for the occupation and job classification of individuals employed by the same employer, or the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage; and

"(2)(A) the conditions of this Act are followed including sections 121(g)(1)(B) (relating to maintenance of effort), 121(f)(1) (relating meaningful training and employment), and 123(a) (relating to jobs in low wage industries); and

"(B) the employment will not result in the filling of a job opening created by the action of the employer in laying off or terminating the employment of any regular employee in anticipation of filling the vacancy so created by hiring a youth employee in order to receive such social bonus.

"(e) An employer who receives a social bonus under this section may recieve, apply for, or accept any financial advantage from the Federal Government for such employment other than as specified in this Act.

"(f)(1) The Secretary, in consultation with the Secretary of the Treasury and other appropriate Federal officials, shall assure that activities carried out under this section are coordinated with any appropriate other activities under which employers are provided incentives or credits by the Federal Government for the employment of comparably unemployed individuals.

"(2) Not later than 36 months after the date of enactment of this section the Secretary, in consultation with the Secretary of the Treasury and other appropriate Federal officials shall submit to the appropriate committees of the Congress a report on the results of activities carried out under this section in comparison to the results of such other activities.

"Subpart 4—General Provisions

"DISTRIBUTION OF FUNDS

"Sec. 441. Of the sums available for carrying out the provisions of this part—

"(1) 15 percent shall be available for subpart 1;

"(2) 15 percent shall be available for subpart 2; and

"(3) 70 percent shall be available for subpart 3.

"WAGE PROVISIONS

"Sec. 442. Rates of pay under this part shall be no less than the higher of—

"(1) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938, but in the case of an individual who is fourteen or 15 years old, the wage provided in accordance with the provisions of subsection (b) of section 14 of the Fair Labor Standards Act of 1938;

"(2) the State or local minimum wage for the most nearly comparable employment, but in the case of an individual who is fourteen or 15 years old the wage provided in accordance with the applicable provisions of the applicable State or local minimum wage law; or

"(3) the prevailing rates of pay, if any, for occupations and job classifications of individuals employed by the same employer, except that—

"(A) whenever the prime sponsor has entered into an agreement with the employer and the labor organization representing employees engaged in similar work in the same area to pay less than the rates provided in this paragraph, youths may be paid the rates in such agreement;

"(B) whenever an existing job is reclassified or restructured, youths employed in such jobs shall be paid at rates not less than are provided under paragraph (1) or (2), but if a labor organization represents employees engaged in similar work in the same area, such youths shall be paid at rates specified in an agreement entered into by the approvriate prime sponsor, the employer, and the labor organization with respect to such reclassified or restructured jobs, and if no agreement is reached within thirty days after the initiation of the agreement procedure referred to in this clause the labor organization, prime sponsor, or employer may petition the Secretary, who shall establish appropriate wages for the reclassified or restructured positions, taking into account wages paid by the same employer to persons engaged in similar work;

"(C) whenever a new or different job classification or occupation is established and there is no dispute with respect to such new or different job classification or occupation, youths to be employed in such jobs shall be paid at rates not less than are provided in paragraph (1) or (2), but if there is a dispute with respect to such new or different job classification or occupation, the Secretary shall. within 30 days after receipt of the notice of protest by the labor organization representing employees engaged in similar work in the same area, make a

determination whether such job is a new or different classification or occupation; and

"(D) in the case of projects to which the provision of the Davis-Bacon Act (or any Federal law containing labor standards in accordance with the Davis-Bacon Act) otherwise apply, the Secretary is authorized, for projects financed under subparts 2 and 3 under $5,000, to prescribe rates of pay for youth participants which are not less than the applicable minimum wage but not more than the wage rate of the entering apprentice in the most nearly comparable apprenticeable trade, and to prescribe the appropriate ratio of journeymen to such participating youths.

"SPECIAL CONDITIONS

"SEC. 443. (a) The Secretary shall provide financial assistance under this part only if he determines that the activities to be assisted meet the requirements of this section.

"(b) The Secretary shall determine that the activities assisted under this part—

"(1) will result in an increase in employment opportunities over those opportunities which would otherwise be available;

"(2) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits);

"(3) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(4) will not substitute jobs assisted under this part for existing federally assisted jobs;

"(5) will not employ any youth when any other person is on layoff by the employer from the same or any substantially equivalent job in the same area; and

"(6) will not be used to employ any person to fill a job opening created by the act of an employer in laying off or terminating employment of any regular employee, or otherwise reducing the regular work force not supported under this part, in anticipation of filling the vacancy so created by hiring a youth to be supported under this part.

"(c) The jobs in each promotional line will in no way infringe upon the promotional opportunities which would otherwise be available to persons currently employed in public services not subsidized under this Act and no job will be filled in other than an entry level position in each promotional line until applicable personnel procedures and collective-bargaining agreements have been complied with.

"(d) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under the program for which an application is being developed for submission under this part, such organization shall be notified and shall be afforded a reasonable period of time prior to the submission of the application in which to make comments to the applicant and to the Secretary.

"(e) Activities funded under this part shall meet such other standards as the Secretary may deem appropriate to carry out the purposes of this Act.

"(f) Funds under this part shall not be used to provide full-time employment opportunities (1) for any person who has not attained the age with respect to which the requirement of compulsory education ceases to apply under the laws of the State in which such individual resides, except (A) during periods when school is not in session, and (B) where employment is undertaken in cooperation with school-related programs awarding academic credit for the work experience, or (2) for any person who has not attained a high school degree or its equivalent if it is determined, in accordance with procedures established by the Secretary, that there is substantial evidence that such person left school in order to participate in any program under this part.

"SPECIAL PROVISIONS FOR SUBPARTS 2 AND 3

"Sec. 444. (a) Appropriate efforts shall be made to ensure that youths participating in programs, projects, and activities under subpart 2 and 3 shall be youths who are experiencing severe handicaps in obtaining employment, including but not limited to those who lack credentials (such as a high school diploma), those who require substantial basic and remedial skill development, those who are women and minorities, those who are veterans of military service, those who are offenders, those who are handicapped, those with dependents, or those who have otherwise demonstrated special need, as determined by the Secretary.

"(b) The Secretary is authorized to make such reallocation as the Secretary deems appropriate of any amount of any allocation under subparts 2 and 3 to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided 30 days' advance notice of the proposed reallocation to the eligible applicant and to the Governor of the State of the proposed reallocation, during which period of time the eligible applicant and the Governor may submit comments to the Secretary. After considering any comments submitted during such period, the Secretary shall notify the Governor and affected eligible applicants of any decision to reallocate funds, and shall publish any such decision in the Federal Register. Priority shall be given in reallocating such funds to other areas within the same State.

"(c) The provisions of section 121(g)(1)(C) shall apply to subparts 2 and 3.

"ACADEMIC CREDIT, EDUCATION CREDIT, COUNSELING AND PLACEMENT SERVICES, AND BASIC SKILLS DEVELOPMENT

"Sec. 445. (a) In carrying out this part, appropriate efforts shall be made to encourage the granting by the educational agency or school involved of academic credit to eligible participants who are in school.

"(b) The Secretary, in carrying out the purposes of this part, shall cooperate with the Secretary of Health, Education, and Welfare to make suitable arrangements with appropriate State and local education officials whereby academic credit may be awarded, consistent with applicable State law, by educational institutions and agencies for competencies derived from work experience obtained through programs established under this part.

"(c) All activities assisted under this part, pursuant to such regulations as the Secretary shall prescribe, shall provide appropriate counseling and

placement services designed to facilitate the transition of youth from participation in the project to (1) permanent jobs in the public or private sector, or (2) education or training programs.

"*DISREGARDING EARNINGS*

"SEC. 446. Earnings and allowances received by any youth under this part shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based on need under any Federal or federally assisted programs.

"*RELATION TO OTHER PROVISIONS*

"SEC. 447. The provisions of title I shall apply to this part, except to the extent that any such provision may be inconsistent with the provisions of this part.

"*PART B—JOB CORPS*

"*STATEMENT OF PURPOSE*

"SEC. 450. This part establishes a Job Corps for economically disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. The purpose of this part is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

"*ESTABLISHMENT OF THE JOB CORPS*

"SEC. 451. There is established within the Department of Labor a 'Job Corps'.

"*INDIVIDUALS ELIGIBLE FOR THE JOB CORPS*

"SEC. 452. To become an enrollee in the Job Corps, a young man or woman must be an eligible youth who—

"(1) has attained age 14 but not attained age 22 at the time of enrollment, except that such maximum age limitation may be waived, in accordance with regulations of the Secretary, in the case of any handicapped individual;

"(2) is economically disadvantaged or is a member of a family which is economically disadvantaged, and who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;

"(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair prospects for successful participation in other programs providing needed training, education, or assistance;

"(4) is determined, after careful screening as provided for in sections 453 and 454 to have the present capabilities and aspirations needed to complete and secure the full benefit of the Job Corps and to be free of medical and behavioral problems so serious that the individual could not adjust to the standards of conduct, discipline, work, and training which the Job Corps involves; and

"(5) meets such other standards for enrollment as the Secretary may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

"SCREENING AND SELECTION OF APPLICANTS: GENERAL PROVISIONS

"SEC. 453. (a) The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps. To the extent practicable, these rules shall be implemented through arrangements with agencies and organizations such as community action agencies, public employment offices, professional groups, labor organizations, and agencies and individuals having contact with youths over substantial periods of time and able to offer reliable information as to their needs and problems. The rules shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for the interviewing of each applicant for the purpose of—

"(1) determining whether the applicant's educational and vocational needs can best be met through the Job Corps or an alternative program in the applicant's home community;

"(2) obtaining from the applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment; and

"(3) giving the applicant a full understanding of the Job Corps and what will be expected of an enrollee in the event of acceptance.

"(b) The Secretary shall make no payments to any individual or organization solely as compensation for referring the names of candidates for Job Corps.

"(c) The Secretary shall assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas, taking into account the proportions of eligible youth who reside in rural areas and the need to provide residential facilities for such youth.

"SCREENING AND SELECTION: SPECIAL LIMITATIONS

"SEC. 454. (a) No individual shall be selected as an enrollee unless there is reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the center to which the individual might be

assigned and surrounding communities, and unless the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe those rules.

"(b) An individual on probation or parole may be selected only if release from the supervision of the probation or parole officials is satisfactory to those officials and the Secretary and does not violate applicable laws or regulations. No individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

"ENROLLMENT AND ASSIGNMENT

"SEC. 455. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Secretary may authorize in special cases.

"(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

"(C) After the Secretary has determined whether an enrollee is to be assigned to a Job Corps Center or a Job Corps Civilian Conservation Center, the enrollee shall be assigned to the center of the appropriate type which is closest to the enrollee's home, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for youth from various sections of the Nation to participate in the program, to prevent undue delays in assignment to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

"JOB CORPS CENTERS

"SEC. 456. (a) The Secretary may make agreements with Federal, State, or local agencies, including a State board or agency designated pursuant to section 104(a)(1) of the Vocational Education Act of 1963 which operates or wishes to develop area vocational education school facilities or residential vocational schools (or both) as authorized by such Act, or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest. The centers shall also include training centers located in either urban or rural areas which shall provide activities including training and other services for specific types of skilled or semi-skilled employment.

"(b) To the extent feasible, Job Corps centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in other programs under this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

“PROGRAM ACTIVITIES

“SEC. 457. (a) Each Job Corps center shall provide enrollees with an intensive, well-organized, and fully supervised program of education, vocational training, work experience, planned vocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program shall include activities to assist enrollees in choosing realistic career goals, coping with problems they may encounter in home communities, or in adjusting to new communities, and planning and managing daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance work to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

“(b) The Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such institutions provide training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

“(c) To the extent feasible, arrangements for education, both at the center and at other locations, shall provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to each enrollee who satisfactorily completes service in the Job Corps and which will reflect the enrollee's level of educational attainment.

“ALLOWANCES AND SUPPORT

“SEC. 458. (a) The Secretary is authorized to provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. For the fiscal year ending September 30, 1979, personal allowances shall be established at a rate not to exceed $60 per month during the first 6 months of an enrollee's participation in the program and not to exceed $100 per month thereafter, except that allowances in excess of $60 per month, but not exceeding $100 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than 6 months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified in this subsection in unusual circumstances as determined by him. For fiscal years beginning on or after October 1, 1979, such personal allowance limitations may be increased, by regulation, as the Secretary determines appropriate. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

“(b) The Secretary shall prescribe rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least 6-months' service in the Job Corps.

"*(c) The Secretary may provide each former enrollee upon termination, a readjustment allowance at a rate not to exceed, for the fiscal year ending September 30, 1979, $100 for each month of satisfactory participation in the Job Corps. For fiscal years beginning on or after October 1, 1979, such readjustment allowance limitation may be increased, by regulation, as the Secretary determines appropriate. No enrollee shall be entitled to a readjustment allowance unless he has remained in the program at least 90 days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, to advance to or on behalf of an enrollee such portions of his readjustment allowances as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee. The Secretary is authorized, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.*

"*(d) Such portion of the readjustment allowance as prescribed by the Secretary may be paid monthly during the period of service of the enrollee directly to a spouse or child of an enrollee, or to any other relative who draws substantial support from the enrollee, and any amount so paid shall be supplemented by the payment of an equal amount by the Secretary.*

"*STANDARDS OF CONDUCT*

"*SEC. 459. (a) Within Job Corps centers standards of conduct shall be provided and stringently enforced. If violations are committed by enrollees, dismissal from the Corps or transfers to other locations shall be made if it is determined that retention in the Corps, or in the particular center, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.*

"*(b) To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees, including dismissal from the Job Corps, subject to expeditious appeal to the Secretary.*

"*COMMUNITY PARTICIPATION*

"*SEC. 460. The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth shall be represented on the advisory council and separate youth councils may be established composed of enrollees and young people from the communities. The Secretary shall assure that each center is operated with a view to achieving, so far as possible, objectives which shall include—*

> "*(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may effect or be of interest to the community;*

"(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

"(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

"(4) encouraging the fullest practicable participation of enrollees in programs for community improvement or betterment, with appropriate advance consultation with business, labor, professional, and other interested community groups;

"(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

"(6) providing community residents with opportunities to work with enrollees directly as part-time instructors, tutors, or advisers, either in the center or in the community;

"(7) developing, where feasible, job or career opportunities for enrollees in the community; and

"(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, agencies serving young people and recipients of funds under this Act.

"COUNSELING AND JOB PLACEMENT

"SEC. 461. (a) The Secretary shall counsel and test each enrollee at regular intervals to measure progress in educational and vocational programs.

"(b) The Secretary shall counsel and test enrollees prior to their scheduled terminations to determine their capabilities and shall make every effort to place them in jobs in the vocation for which they are trained or to assist them in attaining further training or eucation. In placing enrollees in jobs, the Secretary shall utilize the public employment service system to the fullest extent possible.

"(c) The Secretary shall determine the status and progress of enrollees scheduled for termination and make every effort to assure that their needs for further education, training, and counseling are met.

"(d) The Secretary shall arrange for the readjustment allowance to be paid to former enrollees (who have not already found employment) at the State employment service office nearest the home of any such former enrollee who is returning home, or at the nearest such office where the former enrollee has indicated an intent to reside. If the Secretary uses any other public agency or private organization in lieu of the public employment service system, the Secretary shall arrange for that organization or agency to pay the readjustment allowance.

"EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

"SEC. 462. (a)(1). The Secretary is authorized to undertake experimental, research, or demonstration projects to develop or test ways of better using facilities, encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in their period of enrollment, reducing transportation and support costs, or otherwise promoting greater efficiency and effectiveness in the program. These projects shall

include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis.

"(2) The Secretary is authorized to undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations.

"(3) Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secretary is authorized to waive any provision of this part which the Secretary finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. The Secretary shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

"(b) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum use of existing educational and training facilities, the Secretary, in cooperation with the Secretary of Health, Education, and Welfare, is authorized to enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers.

"ADVISORY BOARDS AND COMMITTEES

"SEC. 463. The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

"PARTICIPATION OF THE STATES

"SEC. 464. (a) The Secretary shall take action to facilitate the effective participation of States in the Job Corps programs, including consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

"(b) The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary is authorized, pursuant to regulations, to pay part or all of the costs of such programs.

"(c) No Job Corps center or other similar facility designed to carry

out the purpose of this part shall be established within a State unless a notice setting forth such proposed establishment has been submitted to the Governor, and the establishment has not been disapproved by the Governor within 30 days of such submission.

"(d) All property which would otherwise be under exclusive Federal legislative jurisdiction shall be under concurrent jurisdiction with the appropriate State and locality with respect to criminal law enforcement as long as a Job Corps center is operated on such property.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"Sec. 465. (a) Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except—

"(A) the term 'performance of duty' shall not include any act of an enrollee while absent from the assigned post of duty of such enrollee, except while participating in an activity (including an activity while on pass or during travel to or from such post or duty) authorized by or under the direction and supervision of the Job Corps;

"(B) in computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS–2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

"(C) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

"(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

"(b) Whenever the Secretary finds a claim for damages to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, the Secretary is authorized to adjust and settle it in an amount not exceeding $1,500.

"(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the

support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

"SPECIAL PROVISIONS

"Sec. 466. (a) The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

"(b) The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the Job Corps program shall become the property of the United States.

"(c) Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.

"GENERAL PROVISIONS

"Sec. 467. The Secretary is authorized to—

"(1) disseminate, with regard to the provisions of section 4154 of title 39, United States Code, data and information in such forms as the Secretary shall deem appropriate, to public agencies, private organizations, and the general public;

"(2) collect or compromise all obligations to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

"(3) expend funds made available for purposes of this part—

"(A) for printing and binding, in accordance with applicable law and regulation; and

"(B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not utilize the authority contained in this subparagraph—

"(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this part, and which otherwise could not be obtained or could not be obtained in the quantity or quality needed, or at the time, in the form or under the conditions in which it is needed; and

"(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of the Secretary's intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

"UTILIZATION OF FUNDS

"Sec. 468. Notwithstanding the limitations of title II and part C of this title, financial assistance under title II and part C of this title which is used for the Job Corps program, may be used in accordance with the provisions of this part.

"PART C—SUMMER YOUTH PROGRAM

"ESTABLISHMENT OF PROGRAM

"Sec. 481. (a) The Secretary shall provide financial assistance to prime sponsors to conduct programs for eligible youth during the summer months.

"(b) Programs shall provide eligible youth with useful work and sufficient basic education and institutional or on-the-job training to assist these youths to develop their maximum occupational potential and to obtain employment not subsidized under this Act.

"PRIME SPONSORS

"Sec. 482. Prime sponsors eligible for assistance under this part shall prime sponsors designated under section 101(c) and Native American entities described in section 302(c)(1).

"FINANCIAL ASSISTANCE

"Sec. 483. (a) In order to receive financial assistance under this part, a prime sponsor shall submit to the Secretary an annual plan pursuant to section 103.

"(b) The funds appropriated for this part in any fiscal year shall be allocated according to the procedures set forth in subsection (c) except that the Secretary may reserve up to 5 percent of the appropriated funds to be used in the Secretary's discretion including allocations to Native American entities under subsection (c)(2).

"(c)(1) In allocating funds under this part, the Secretary shall add to the new appropriation the total amount of summer funds unspent in the previous year's summer program.

"(2) Funds for prime sponsors designated under section 101(c) shall be allocated as follows:

> *"(A)(i) 50 percent of such funds shall be allocated on the basis of each prime sponsor's proportion of the funds allocated for the previous year's summer programs;*
>
> *"(ii) 37½ per centum of the funds shall be allocated based on the ratio of the annual average number of unemployed persons in the prime sponsor's area to the total annual average number of unemployed persons in the United States;*
>
> *"(iii) 12½ per centum of the funds shall be allocated based on the ratio of the number of adults in low-income families in the prime sponsor's area to the total number of adults in low income families in the United States; except that—*
>
> *"(B) each prime sponsor shall receive an allocation which, when added to its unexpended allocation for the previous fiscal year, shall*

be at least equal to the amount available to it for its summer program in the previous fiscal year.

"(3) Funds for Native American entities described in section 302(c)(1) shall be allocated based on the ratio of the number of Native American youths 14 through 21 years of age inclusive in the eligible prime sponsor's area to the total number of Native American youths 14 through 21 years of age inclusive in all Native American entity areas, except that each Native American entity shall receive an amount of funds equal to the amount allocated to it in the previous fiscal year.

"(4) The total allocation to Guam, the Virgin Islands, American Samoa, Northern Marianas, and the Trust Territory of the Pacific Islands shall be equal to the same percentage of the funds allocated to Guam, the Virgin Islands, American Samoa, Northern Marianas, and the Trust Territory of the Pacific Islands under the previous year's summer program.

"SECRETARIAL AUTHORITY

"SEC. 484. Programs under this part shall meet such regulations, standards, and guidelines as the Secretary shall establish.

TITLE V—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

"STATEMENT OF PURPOSE

"SEC. 501. The purpose of this title is to establish a National Commission for Employment Policy which will have the responsibility for examining broad issues of development, coordination, and administration and employment and training programs, and for advising the President and the Congress on national employment and training issues.

"COMMISSION ESTABLISHED

"SEC. 502. (a) There is established a National Commission for Employment Policy (formerly known as the National Commission for Manpower Policy and hereinafter in this title referred to as the 'Commission'). The Commission shall be composed of 15 members selected as follows:

"(1) The Secretary, the Secretary of Health, Education, and Welfare, the Administrator of Veterans' Affairs, the Chairman of the equal Employment Opportunity Commission, and the Director of the Community Services Administration.

"(2) A representative of the National Advisory Council on Vocational Education established under section 162 of the Vocational Education Act of 1963.

"(3) Nine members, appointed by the President, broadly representative of labor, industry, commerce, education (including vocational and technical education), veterans, State and local elective officials currently serving in office, community based organizations, individuals served by employment and training programs and of the general public.

"(b) In making the first appointments under clause (3) of subsection (a), the President may appoint not more than 3 individuals who are serving as members of the National Commission for Manpower Policy *on the effective date of this subsection. Any such individuals shall serve for a term of 1 year.*

"(c) The term of office of each member of the Commission appointed under clause (3) of subsection (a) shall be 3 years, except that—

"(1) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and

"(2) of the members first taking office—

"(A) 3 shall serve for terms of 1 year;

"(B) 3 shall serve for terms of 2 years; and

"(C) 3 shall serve for terms of 3 years;

as designated by the President at the time of appointment (subject to the provisions of the last sentence of subsection (b)).

"(d)(1) The Chairman shall be selected by the President from among members appointed pursuant to clause (3) of subsection (a).

"(2) The Commission shall meet not fewer than 3 times each year at the call of the Chairman.

"(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Any recommendation may be passed only by a majority of the members present. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

"(e) The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be chief executive officer of the Commission and shall perform such duties as are prescribed by the Chairman.

"FUNCTIONS OF THE COMMISSION

"SEC. 503. The Commission shall—

"(1) identify the employment goals and needs of the Nation, and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity programs, public assistance policies, employment-related tax policies, labor exchange policies, and other policies and programs under this Act and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

"(2) develop and make appropriate recommendations (including recommendations responsive to requests made by the Committee on Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives), and develop innovative approaches, designed to meet the needs and goals described in clause (1);

"(3) examine and evaluate the effectiveness of any federally assisted employment and training programs (including programs assisted under this Act), with particular reference to the contributions of such programs to the achievement of objectives sought by the recommendations made under clause (2);

"(4) examine and evaluate major Federal programs which are intended to, or potentially could, contribute to achieving major objectives of existing employment and training and related legislation or the objectives set forth in the recommendations of the Commission, with particular attention shall be given to the programs which are designed, or could be designed, to develop information

and knowledge about employment and training problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of employment and training programs;

"(5)(i) identify, after consultation with the National Advisory Council on Vocational Education, the employment and training and vocational education needs of the Nation and assess the extent to which employment and training, vocational education, vocational rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and

"(B) comment, at least once annually, on the reports of the National Advisory Council on Vocational Education which comments shall be included in one of the reports submitted by the National Commission pursuant to this title and in one of the reports submitted by the National Advisory Council on Vocational Education pursuant to section 162 of the Vocational Education Act of 1963;

"(6) evaluate and continue to study and make recommendations to the Congress on the impact of energy shortages and new energy developments upon employment and training needs and include the findings and recommendations with respect thereto in the reports required by section 505;

"(7) study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment, with special emphasis on the employment difficulties faced by the segments of the labor force that experience differentially high rates of unemployment;

"(8) indentify and assess the goals and needs of the Nation with respect to economic growth and work improvements, including conditions of employment, organizational effectiveness and efficiency, alternative working arrangements, and technological changes;

"(9) examine and evaluate the relationships between employment and training programs assisted under this Act with programs under parts A and C of title IV of the Social Security Act and related public assistance programs under the Social Security Act; and

"(10) (A) examine and evaluate eligibility standards set forth in titles II and VI of this Act, and of the Comprehensive Employment and Training Act of 1973, to determine their impact on single heads of households (especially women and older Americans); and (ii) submit a report, not later than July 1, 1979, to the Congress, for appropriate referral, on the Commission's findings together with any proposed changes in this Act concerning the eligibility standards for such single heads of households.

"ADMINISTRATIVE PROVISIONS

"SEC. 504. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

"(1) prescibe such rules and regulations as may be necessary;

"(2) appoint and fix the compensation of such staff personnel as the Chairman deems necessary, and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51

and subchapter III of chapter 53 of such title, relating to classification and the General Schedule pay rates, appoint not to exceed 3 additional professional personnel;

"(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code;

"(4) accept voluntary and uncompensated services of professional personnel, consultants, and experts, notwithstanding any other provision of law;

"(5) accept in the name of the United States and employ or dispose of gifts or bequests to carry out the functions of the Commission under this title;

"(6) enter into contracts and make such other arrangements and modifications, as may be necessary;

"(7) conduct such studies, hearings, research activities, demonstration projects, and other similar activities as the Commission deems necessary to enable the Commission to carry out its functions under this title;

"(8) use the services, personnel, facilities, and information of any department, agency, and instrumentality of the executive branch of the Federal Government and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor; and

"(9) make advances, progress, and other payments necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529).

"(b) Upon request made by the Chairman of the Commission, each department, agency, and instrumentality of the executive branch of the Federal Government is authorized and directed to make its services, personnel, facilities, and information (including computer-time, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions under this Act.

"REPORTS

"Sec. 505. The Commission shall make at least annually a report of its findings and recommendations to the President and the Congress. The Commission may make such interim reports or recommendations to the Congress, the President, the Secretary, or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable. The Commission shall include in any report made under this section any minority or dissenting views submitted by any member of the Commission.

"TITLE VI—COUNTERCYCLICAL PUBLIC SERVICE EMPLOYMENT PROGRAM

"STATEMENT OF PURPOSE

"Sec. 601. It is the purpose of this title to provide for temporary employment during periods of high unemployment. It is the intent of Congress that such employment be provided during periods when the national rate of unemployment is in excess of 4 percent, and that the number of jobs funded shall be sufficient to provide jobs for 20 percent of

the number of unemployed in excess of 4 percent, or 25 percent of the number of unemployed in excess of 4 percent in periods during which the national rate of unemployment is in excess of 7 percent.

"REPORT ON APPROPRIATIONS

"SEC. 602. (a)(1) On or before March 1 of each year, the President shall report to the Congress the amount that would be needed to be appropriated for the following fiscal year in order to provide jobs—

"(A) for 20 percent of the number of unemployed in excess of 4 percent; or

"(B) in fiscal years during which the President estimates that the national rate of unemployment will exceed 7 percent, for 25 percent of the number of unemployed in excess of 4 percent.

Such report shall contain the President's estimate of the unemployment rate for the following fiscal year, the number of unemployed in excess of 4 percent of the labor force, and the average man-year cost of each public service employment opportunity.

"(2) If during a fiscal year the rate of unemployment equals or exceeds 7 percent, and the President estimates that the rate of unemployment for the balance of such year will differ significantly from the rate contained in the most recent report submitted with respect to such year under this subsection or subsection (b), the President shall so report to the Congress and shall include the additional amount, if any, which would be needed to provide jobs for the applicable percentage of unemployed under paragraph (1)(A) or (1)(B). Such report shall also contain the information required by the last sentence of paragraph (1).

"(b) The President shall submit supplemental reports every three months thereafter containing any necessary revisions in the report required under subsection (a)(1) due to changes in his estimates of unemployment or the cost of providing public service jobs under this title.

"(c) The Secretary shall, as soon as practicable after submission of the report required under subsection (a), inform each prime sponsor of its estimated allocation on the basis of the amount of funds estimated in such report. Each prime sponsor's annual plan for using funds provided under this title shall contain provisions for an orderly transition from the number of jobs funded for the current year to the number of jobs which would be funded under such proposed appropriation.

"FINANCIAL ASSISTANCE

"SEC. 603. (a) Not less than 80 percent of the funds allocated in accordance with the provisions of this title which are used by a prime sponsor for public service employment programs under this title shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title. Not less than 10 percent of the funds allocated in accordance with the provisions of this title for fiscal year 1979, and not less than 5 percent of such funds for any fiscal year thereafter, shall be expended for providing training and employability counseling and services to persons employed under this title. The remaining funds may be used for administrative and other allowable costs (such as supplies, materials, and equipment) incurred by the prime sponsor, program agents, project applicants or subgrantees or contractors, in accordance with such regulations as the Secretary may prescribe.

"*(b) In filing teaching positions in elementary and secondary schools with financial assistance under this title, each prime sponsor shall give special consideration to unemployed persons with previous teaching experience who are certified by the State in which that prime sponsor is located and who are otherwise eligible under the provisions of this title and such positions with local educational agencies shall be filed through subcontracting with the appropriate local educational agency.*

"*ALLOCATION OF FUNDS*

"*SEC. 604. (a)(1) The Secretary shall reserve an amount equal to not less than 2 per centum of the amounts made available pursuant to section 602 for any fiscal year to enable Native American entities which are eligible entities under section 606(a)(2) to carry out public service employment programs.*

"*(2) Not less than 85 per centum of the amounts made available pursuant to section 602 for any fiscal year shall be allocated among prime sponsors by the Secretary in accordance with the provisions of paragraph (3).*

"*(3)(A) Fifty per centum of the amount allocated under this subsection shall be allocated among prime sponsors in proportion to the relative number of unemployed persons who reside within the jurisdiction of each such prime sponsor as compared to the number of unemployed persons who reside in all the States.*

"*(B) Twenty-five per centum of the amount allocated under this subsection shall be allocated among prime sponsors in accordance with the number of unemployed persons residing in areas of substantial unemployment within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployment.*

"*(C) Twenty-five per centum of the amount allocated under this subsection shall be allocated among prime sponsors on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the prime sponsor as compared to the total excess number of unemployed persons who reside within the jurisdiction of all prime sponsors. For purposes of this subparagraph, the term 'excess number' means (i) the number of unemployed persons, residing in the jurisdiction of the prime sponsor, in excess of 4½ per centum of the labor force residing in such jurisdiction or (ii) in the case of a prime sponsor which is a State, the greater or the number determined under clause (i) or the number of unemployed persons in excess of 4½ per centum of the labor force in areas of substantial unemployment located in the jurisdiction of such prime sponsor.*

"*(b)(1) The Secretary shall, from the remainder of the funds made available under this title, first use such remainder—*

"*(A) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and*

"*(B) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this section* *and title IV are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction.*

The allocations required under clause (B) of this paragraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

"(2) The remainder of the amount made available pursuant to section 602 shall be available to the Secretary for financial assistance to prime sponsors and Native American entities described in section 302(c)(1)(A) as the Secretary deems appropriate, taking into account changes in rates of unemployment.

"EXPENDITURE OF FUNDS

"SEC. 605. (a) Fifty per centum of the funds available to any prime sponsor under this title may be used only for employment in projects (carried out by project applicants) planned to extend for not more than 18 months from the commencement of the project. A project may be extended for an additional 18 months if, after review of the project, the prime sponsor determines that the project has demonstrated its effectiveness in meeting the purposes of this title, in accordance with regulations issued by the Secretary. Employment that is not in such projects must be at entry level.

"(b) Each project applicant shall submit a project application to the appropriate program agent or prime sponsor. Such application shall contain such information as required by the Secretary's regulations.

"(c) Funds available to a prime sponsor under the second sentence of section 603(a) (with respect to training and employability counseling and services) shall be utilized for residents of the area who are employed under this title and who the prime sponsor determines, on the basis of an assessment of the employability of the participant, requires additional training or employability counseling or services in order to obtain unsubsidized employment.

"PRIME SPONSORS AND PROGRAM AGENTS

"SEC. 606. (a) The Secretary shall provide financial assistance under this title only to—

"(1) prime sponsors designated under section 101(c), and

"(2) Native American entities described under section 302(c)(1)(A).

"(b)(1) Whenever a unit of general local government or combination of such units having a population of 50,000 or more (but less than that necessary to qualify as a prime sponsor under section 101) is within a prime sponsor's area, the prime sponsor shall, if such unit or units so desire, subgrant to such unit or units of general local government the functions of program agent with respect to the funds allocated to such prime sponsor on account of the area served by the program agent.

"(2) For purposes of this subsection, the functions of program agent include the administrative responsibility for developing, funding, overseeing, and monitoring programs within the area, but such functions shall be consistent with the annual employment and training plan and the subgrant which shall be developed by the prime sponsor in cooperation with the program agent.

"(3) Whenever two or more units of general local government qualify as program agents with respect to the same area qualifying for assistance, the provisions of section 101(b)(2) shall be applicable.

"ELIGIBILITY

"SEC. 607. An individual eligible to be employed in a position supported under this title shall be—

"(1) an individual—

"(A) who has been unemployed for at least 10 out of the 12 weeks immediately prior to a determination under this section, and

"(B) who is unemployed at the time the determination is made; and

"(2) an individual—

"(A) whose family income does not exceed 100 percent of the lower living standard income level (exclusive of unemployment compensation and all Federal, State, and local income-tested or needs-tested public payments) based on the 3-month period prior to the individual's application for participation; or

"(B) who is, or whose family is, receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act.

"WAGES

"SEC. 608. Individuals employed in public service employment under this title shall be paid wages in accordance with sections 122(j) and 124.

"WAGE SUPPLEMENTATION

"SEC. 609. Public service employees (other than employees described in section 122(i)(4)(B)) receiving financial assistance under this title may have their wages supplemented by the payment of additional wages for such employment only under the following conditions:

"(1) the total amount of funds which may be used in any fiscal year to provide such supplemental wages shall not exceed a sum equal to 10 percent of such prime sponsor's allocation under this title for such fiscal year; and

"(2) the supplemental wages for any public service employee under this title may not exceed an amount equal to 10 percent of the maximum federally supported wage applicable for such prime sponsor area under section 608, except that, in the case of an area in which the average wage (during the calendar year preceding the beginning of the applicable fiscal year) in employment covered under Federal or State unemployment compensation laws (without regard to any limitation on the amount of such wages subject to contribution under such law) exceeds 125 percent, but does not exceed 150 percent, of the national average wage in such employment, the supplemental wages for any such employee may not exceed 20 percent of such federally supported wage.

"UTILIZATION OF FUNDS

"Sec. 610. Funds available under this title to a prime sponsor may be used, with respect to individuals qualifying for assistance under this title, for programs authorized under title II (other than public service employment), part A of title III, title IV, and title VII.

"TITLE VII—PRIVATE SECTOR OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

"STATEMENT OF PURPOSE

"Sec. 701. It is the purpose of this title to demonstrate the effectiveness of a variety of approaches to increase the involvement of the business community, including small business and minority business enterprises, in employment and training activities under this Act, and to increase private sector employment opportunities for unemployed or underemployed persons who are economically disadvantaged. Employment and training opportunities for such eligible participants shall be made available by prime sponsors on an equitable basis in accordance with the purposes of this title among significant segments of the eligible population giving consideration to the relative numbers of eligible persons in each such segment.

"FINANCIAL ASSISTANCE

"Sec. 702. (a) The Secretary shall provide financial assistance to each prime sponsor designated under section 101(c) which includes satisfactory provisions in its annual plan for title II activities for carrying out the purposes of this title.

"(6) Ninety-five percent of the funds made available for carrying out this title shall be allocated by the Secretary on an equitable basis among such prime sponsors, taking into account the factors set forth in section 202(a). The remainder of the funds made available under this title shall be used by the Secretary to provide financial assistance to prime sponsors who join together to establish a single private industry council and to Native American entities described in sections 302(c)(1) (A) and (B) for carrying out the purposes of this title.

"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

"Sec. 703. (a) Each prime sponsor, and each entity described in sections 302(c)(1) (A) and (B), desiring to receive financial assistance under this title, as part of its plan for title II activities, shall describe its proposed private sector initiatives under this title and the integration of such initiatives with other training and placement activities under this Act. The description shall include an analysis of private sector job opportunities, including estimates by occupation, industry, and location utilizing information provided by the private industry council.

"(b) The Secretary shall provide financial assistance under this title to a prime sponsor, or an entity described in section 302(c)(1) (A) or (B), only if the Secretary determines that—

> *"(1) the proposed activities for which such financial assistance is to be used are consistent with the provisions of this Act and the regulations of the Secretary;*

"(2) *financial assistance made available under this title will be be used to supplement, but not to supplant, on-the-job training and related activities carried out under other titles of this Act;*

"(3) *the private industry council will undertake to make an analysis of private sector job opportunities, including estimates by occupation, industry, and location;*

"(4) *the private industry council has provided a copy of its proposed plan for activities under this title to the prime sponsor planning council for its review and comments and the recommendations of the prime sponsor planning council were satisfactorily considered prior to the submission of the proposed plan to the Secretary;*

"(5) *the proposed plan for activities under this title has been made available to appropriate labor organizations, community-based organizations and educational agencies for their comments prior to submission to the Secretary; and*

"(6) *the prime sponsor and the private industry council have both agreed to the plan submitted to the Secretary and have provided assurances that no activity will be funded which does not have the approval of both the prime sponsor and the private industry council.*

"(b) *The Secretary shall establish appropriate procedures to assure that the Department of Labor will review at the national level any proposal to make payments to private for-profit employers for any activities which are not covered by regulations under section 121(l) or by regulations under other provisions of this Act, and a specific waiver by the Secretary shall be required to make payments for any such activities.*

"PRIVATE INDUSTRY COUNCILS

"SEC. 704. (a)(1) *Any prime sponsor receiving financial assistance under this title shall establish a private industry council. The prime sponsor shall appoint members from industry and the business community (including small business and minority business enterprises), organized labor, community-based organizations, and educational agencies and institutions to serve on such council. Other members of the private industry council may be appointed by the prime sponsor from representatives of persons eligible to participate in activities under this title. In no event shall representatives of industry and business have less than a majority on the council, and, whenever possible, at least half of such industry and business representatives shall be representatives of small business. The private industry council may consist of members of existing or newly formed organizations and members of the prime sponsor planning council. Such council may be established to cover two or more prime sponsor areas pursuant to arrangements between the prime sponsors for such areas and the council.*

"(2) *For purposes of this subsection, the term 'small business' means any private, for-profit enterprise employing 500 or fewer employees.*

"(b) *The chairman of the private industry council (or the designee of the chairman) shall serve as an ex officio, nonvoting member of the prime sponsor planning council, and the chairman of the prime sponsor planning council (or the designee of the chairman) shall serve as an ex officio, nonvoting member of the private industry council.*

"(c) *Such council shall participate with the prime sponsor in the development and implementation of programs under this title, and shall* *consult with the prime sponsor with respect to other programs under this Act. In carrying out its responsibilities, such council shall utilize, to the, extent appropriate, community-based organizations, labor organizations, educational agencies and institutions, and economic development programs.*

"(d) The Secretary shall not, by regulation or otherwise, require that any prime sponsor, in establishing such council, give a presumptive role to any particular organization.

"PROGRAM ACTIVITIES

"Sec. 705. (a) Prime sponsors receiving financial assistance under this title shall, consistent with section 702(b), carry out private sector initiatives to demonstrate the purposes of this title. Such activities shall augment private sector-related activities under title II, including arrangements for on-the-job training with private employers, and may include—

"(1) coordinating programs of jobs and training and education enabling individuals to work for a private employer while attending an education or training program;

"(2) developing a small business intern program to provide a practical training enabling youths and other individuals to work in small business firms to acquire first-hand knowledge and management experience about small business;

"(3) developing relationships between employment and training programs, educational institutions, and the private sector;

"(4) developing useful methods for collecting information about Federal Government procurement contracts with private employers, new and planned publicly supported projects such as public works, economic development and community development programs, transportation revitalization, alternative energy technology development, demonstration, and utilization projects, energy conservation projects, and rehabilitation of low income housing as part of a community revitalization or stabilization effort, which provide work through private sector contractors;

"(5) conducting innovative cooperative education programs for youths in secondary and postsecondary schools designed to coordinate educational programs with work in the private sector;

"(6) developing and marketing model contracts designed to reduce the administrative burden on the employer and model contracts to meet the needs of specific occupations and industries;

"(7) coordinating programs under this title with other job development, placement, and employment and training activities carried out by public and private agencies;

"(8) providing on-the-job training subsidies on a declining ratio to wages over the period of training;

"(9) providing followup services with employees placed in private employment and employers who hire recipients of services under this Act;

"(10) encouraging employers to develop job skill requirement forecasts and to coordinate such forecasts with prime sponsors;

"(11) using direct contracts for training and employment programs with private for profit and private nonprofit organizations;

"(12) developing apprenticeship or comparable high-skill training programs for workers regardless of age in occupations where such programs do not exist presently in the area;

"(13) increasing opportunities for upgrading from entry level jobs by providing counseling and other services to employees and employers beyond initial training periods;

"(14) providing technical assistance to private employers to reduce the administrative burden of employment and training programs; and

"(15) disseminating information to private employers so that they may more fully utilize programs under this Act.

"(b)(1) The Secretary shall establish such procedures and regulations as may be necessary to assure that the total amount of administrative costs incurred by all prime sponsors in carrying out programs under this title does not exceed 20 percent of the total cost of carrying out all such programs.

"(2) The Secretary by regulation shall provide for necessary and reasonable limitations on administrative costs incurred by prime sponsors, which shall be designed to assure the effective operation of programs carried out by prime sponsors under this title, taking into account differing conditions in urban and rural areas. The administrative costs of any prime sponsor carrying out a program under this title may not exceed the limitations established by the Secretary under this paragraph, unless such excess costs are justified and documented in the approval of the prime sponsor's program.

"REPORT

"SEC. 706. (a) The Secretary shall provide to the Congress by March 1, 1980, an evaluation of the activities conducted under this title accompanied by recommendations for legislation.

"(b) The Secretary shall disseminate among prime sponsors information concerning successful programs under this title.

"TITLE VIII—YOUNG ADULT CONSERVATION CORPS

"STATEMENT OF PURPOSE

"SEC. 801. It is the purpose of this title to establish a Young Adult Conservation Corps to provide employment and other benefits to youths who would not otherwise be currently productively employed, through a period of service during which they engage in useful conservation work and assist in completing other projects of a public nature on Federal and non-Federal public lands and waters.

"ESTABLISHMENT OF YOUNG ADULT CONSERVATION CORPS

"SEC. 802. To carry out the purposes of this title, there is hereby established a Young Adult Conservation Corps to carry out projects on Federal or non-Federal public lands or waters. The Secretary shall administer this title through interagency agreements with the Secretaries of the Interior and Agriculture. Pursuant to such interagency agreements, the Secretaries of the Interior and Agriculture shall have responsibility for the management of each Corps center, including determination of Corps members' work assignments, selection, training, discipline, and termination, and shall be responsible for an effective program at each center.

"SELECTION OF ENROLLEES

Sec. 803. (a) Enrollees of the Corps shall be selected by the Secretaries of the Interior and Agriculture only from candidates referred by the Secretary.

"(b)(1) Membership in the Corps shall be limited to individuals who, at the time of enrollment—

"(A) are unemployed;

"(B) are between the ages 16 to 23 inclusive;

"(C) are citizens or lawfully permanent residents of the United States or lawfully admitted refugees or parolees; and

"(D) are capable, as determined by the Secretary, of carrying out the Work of the Corps for the estimated duration of each individual's enrollment.

"(2) Individuals who, at the time of enrollment, have attained age 16 but not attained age 19 and who have left school shall not be admitted to membership in the Corps unless they give adequate assurance, under criteria established by the Secretary, that they did not leave school for the purpose of enrolling in the Corps and obtaining employment under this title.

"(c) The Secretary shall make arrangements for obtaining referral of candidates for the Corps from the public employment service, public assistance agencies, prime sponsors of Native American programs described in section 302, sponsors of migrant and seasonal farmworker programs under section 303, the Secretaries of the Interior and Agriculture, and such other agencies and organizations as the Secretary may deem appropriate. The Secretary of labor shall undertake to assure that an equitable proportion of candidates shall be referred from each State.

"(d) In referring candidates from each State in accordance with subsection (c), preference shall be given to youths residing in rural and urban areas within each such State having substantial unemployment including areas of substantial unemployment as defined in section 3.

"(e)(1) No individual may be enrolled in the Corps for a total period of more than 12 months, with such maximum period consisting of either 1 continuous 12-month period, or 3 or less periods which total 12 months, except that an individual who attains the maximum permissible enrollment age may continue in the Corps up to the 12-month limit provided in this subsection only as long as the individual's enrollment is continuous after having attained the maximum age.

"(2) No individual shall be enrolled in the Corps if solely for purposes of membership for the normal period between school terms.

"ACTIVITIES OF THE CORPS

"Sec. 804. (a) Consistent with each interagency agreement, the Secretary of the Interior or Agriculture, as appropriate, in consultation with the Secretary of Labor shall determine the location of each residential and nonresidential Corps center. The Corps shall perform work projects in such fields as—

"(1) tree nursery operations, planting, pruning, thinning, and other silviculture measures;

"(2) wildlife habitat improvements and preservations;

"(3) range management improvements;

"(4) recreation development, rehabilitation, and maintenance;

"(5) fish habitat and cultural measures;
"(6) forest insect and disease prevention and control;
"(7) road and trial maintenance and improvements;
"(8) general sanitation, cleanup, and maintenance;
"(9) erosion control and flood damage;
"(10) drought damage measures;
"(11) other natural disaster damage measures; and
"(12) integrated pest management, including activities to provide the producers of agricultural commodities with information about the appropriate amount of chemical pesticides which, when used in conjunction with nonchemical methods of pest control (A) will provide protection against a wide variety of pests, (B) will preserve to the greatest extent possible the quality of the environment, and (C) will be cost effective.

"(b)(1) The Secretary of the Interior and the Secretary of Agriculture shall undertake to assure that projects on which work is performed under this title are consistent with the Forest and Rangeland Renewal Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and such other standards relating to such projects as each Secretary shall prescribe consistent with other provisions of Federal law (including the Fish and Wildlife Conservation Act; 16 U.S.C. 601).

"(2) The Secretary of the Interior and the Secretary of Agriculture shall place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available.

"(c) To the maximum extent practicable, projects shall—
"(1) be labor intensive;
"(2) be projects for which work plans could be readily developed;
"(3) be able to be initiated promptly;
"(4) be productive;
"(5) be likely to have a lasting impact both as to the work performed and the benefit to the youths participating;
"(6) provide work experience to participants in skill areas required for the projects;
"(7) if a residential program, be located, to the maximum extent consistent with the objectives of this title in areas where existing residential facilities for the Corps members are available; and
"(8) be similar to activities of persons employed in seasonal and part-time employment in agencies such as the National Park Service, United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, Forest Service, Bureau of Outdoor Recreation, and Soil Conservation Service.

"(d)(1) The Secretary of the Interior and the Secretary of Agriculture, pursuant to agreements with the Secretary, may provide for such transportation, lodging, subsistence, medical treatment, and other services, supplies, equipment, and facilities as they may deem appropriate to carry out the purposes of this title. To minimize transportation costs, Corps members shall be assigned to projects as near to their homes as practicable.

"(2) Whenever economically feasible, existing but unoccupied or underutilized Federal, State, and local government facilities and equipment of all types shall, where appropriate, be utilized for the purposes of the

Corps centers with the approval of the Federal agency, State, or local government involved.

"(e) The Secretary, in carrying out the purpose of this title shall cooperate with the Secretary of Health, Education, and Welfare to make suitable arrangements whereby academic credit may be awarded by educational institutions and agencies for competencies derived from work experience obtained through programs established under this title.

"CONDITIONS APPLICABLE TO CORPS ENROLLEES

"Sec. 805. (a) Except as otherwise specifically provided in this subsection, Corps members shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), Corps members shall be deemed employees of the United States and any service performed by a person as a Corps member shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter 1 of chapter 81 of title 5 of the United States Code, relating to compensation to Federal employees for work injuries, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and provisions of that subchapter shall apply, except that the term 'performance of duty' shall not include any act of a Corps member while absent from the member's assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Secretary.

"(3) For purposes of chapter 171 of title 18, United States Code, relating to tort claims procedure, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee of the Government' as defined in section 2671 of title 28, United States Code, and provisions of that chapter shall apply.

"(4) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in that section, and provisions of that section shall apply.

"(b) The Secretary shall, in consultation with the Secretaries of the Interior and Agriculture, establish standards for—

"(1) rates of pay which shall be at least at the wage required by section 6(a)(1) of the Fair Labor Standards Act of 1938;

"(2) reasonable hours and conditions of employment; and

"(3) safe and healthful working and living conditions.

"STATE AND LOCAL PROGRAMS

Sec. 806. (a) Consistent with interagency agreements with the Secretary, the Secretaries of the Interior and Agriculture may make grants or enter into other agreements—

"(1) after consultation with the Governor, with any State agency or institution;

"(2) after consultation with appropriate State and local officials, with (A) any unit of general local government, or (B)(i) any public agency or organization, specifically including the Federal Extension Service and the cooperative extension service of any State with respect to projects described in section 804(a)(12), or (ii) any private nonprofit agency or organization which has been in existence for at least 2 years;

for the conduct under this title of any State or local component of the Corps or of any project on non-Federal lands or waters or any project involving work on both non-Federal and Federal lands and waters.

"(b) No grant or other agreement may be entered into under this section unless an application is submitted to the Secretary of the Interior or the Secretary of Agriculture, as the case may be, at such times as each such Secretary may prescribe. Each grant application shall contain assurances that individuals employed under the project for which the application is submitted—

"(1) meet the qualifications set forth in section 803(b);

"(2) shall be employed in accordance with section 805(b); and

"(3) shall be employed in activities that—

"(A) will result in an increase in employment opportunities over those opportunities which would otherwise be available,

"(B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits),

"(C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed,

"(D) will not substitute jobs assisted under this title for existing federally assisted jobs, and

"(E) will not result in the hiring of any youth when any other person is on layoff from the same or any substantially equivalent job.

"(c) Thirty percent of the sums appropriated to carry out this title for any fiscal year shall be made available for grants under this section for such fiscal year and shall be made on the basis of total youth population within each State.

"SECRETARIAL REPORTS

"SEC. 807. The Secretary, the Secretary of the Interior, and the Secretary of Agriculture shall jointly prepare and submit to the President and to the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the date of enactment of this Act. The Secretaries shall include in such report such recommendations as they deem appropriate.

"ANTIDISCRIMINATION

"SEC. 808. The Corps shall be open to youth from all parts of the Nation of both sexes and youth of all social, economic, and racial classifications.

"TRANSFER OF FUNDS

"Sec. 809. Funds necessary to carry out their responsibilities under this title shall be made available to the Secretaries of the Interior and Agriculture in accord with interagency agreements between the Secretary of Labor and the Secretaries of the Interior and Agriculture.".

CRIMINAL PROVISIONS

Sec. 3. (a) Section 665 of title 18, United States Code, is amended to read as follows:

"THEFT OR EMBEZZLEMENT FROM EMPLOYMENT AND TRAINING FUNDS: IMPROPER INDUCEMENT: OBSTRUCTION OF INVESTIGATIONS

"Sec. 665. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with any agency receiving financial assistance under the Comprehensive Employment and Training Act knowingly hires an ineligible individual or individuals, embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of asisstance pursuant to such Act shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, such person shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

"(b) Whoever, by threat or procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Comprehensive Employment and Training Act induces any persons to give up any money or thing of any value to any person (including such grantee agency) shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

"(c) Any person whoever willfully obstructs or impedes or endeavors to obstruct or impede, an investigation or inquiry under the Comprehensive Employment and Training Act or, the regulations thereunder, shall be punished by a fine of not more than $5,000, or by imprionment for not more than 1 year, or by both such fine and imprisonment.".

"(b) The analysis of chapter 31 of title 18, United States Code, is amended by striking out the item relating to section 665 and inserting in lieu thereof the following new item:

"665. THEFT OR EMBEZZLEMENT FROM EMLOYMENT AND TRAINING FUNDS; IMPROPER INDUCEMENT; OBSTRUCTION OF INVESTIGATIONS.".

TRANSITIONAL PROVISION

Sec. 4. (a)(1) The Secretary of Labor (hereinafter in this section referred to as the "Secretary") may provide financial assistance, in accordance with the provisions of this section, in the same manner that such assistance was provided under the Comprehensive Employment and Training Act of 1973 (as in effect on the day before the date of the enactment of this Act), to the extent the Secretary considers necessary to provide for the orderly transition of employment and training programs carried out under such Act and to provide continued financial assistance for such programs.

(2) The authority of the Secretary established in paragraph (1) shall expire at the end of March 31, 1979.

(b) The Secretary shall take such action as may be necessary to provide, as soon as possible after the date of the enactment of this Act, for the implementation of provisions of the Comprehensive Employment and Training Act relating to the prohibition of fraud and other abuses in connection with the administration of programs under such Act.

(c)(1) The provisions of the Comprehensive Employment and Training Act relating to supplementation, maximum Federal wage rates, and eligibility shall apply to the provision of financial assistance by the Secretary after the end of the 90-day period beginning on the date of the enactment of this Act.

(2) The eligibility conditions established in section 608 of the Comprehensive Employment and Training Act of 1973 (as in effect on the day before the date of the enactment of this Act) shall apply, during the period specified in paragraph (1), with respect to any individual hired for public service employment on or after such date of enactment.

(d) The Secretary shall have authority to waive the application of any Federal law, or any regulation or other requirement prescribed or established under any Federal law, which establishes time period limitations or other requirements which relate to notice, hearings, or similar matters which otherwise would be applicable to the manner in which regulations prescribed by the Secretary may take effect, to the extent the Secretary deems such waiver necessary to carry out the provisions of subsection (b) and subsection (c).

(e) If the Secretary determines that he cannot carry out the provisions of subsection (b) and subsection (c), other than those provisions which require any amendment to comprehensive employment and training plans, at the end of the 90-day period specified in subsection (c)(1), the Secretary shall furnish notice of such determination to the Committee on Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives. Such notice shall include the reasons for such determination.

(f) The National Commission for Manpower Policy, as in existence on the day before the date of the enactment of this Act, shall continue in existence until the members of the National Commission for Employment Policy are appointed in accordance with the provisions of title V of the Comprehensive Employment and Training Act.

REPORTS

SEC. 5. (a) Not later than February 1, 1979, the Secretary shall, after consultation with appropriate State and local officials and other interested parties, submit to the Congress a report containing recommendations and suggested legislation with respect to any necessary improvements in the Wagner-Peyer Act (29 U.S.C. 49), including such legislation as may be necessary to assure coordination between such Act and the Comprehensive Employment and Training Act.

(b) The Secretary shall develop methods to ascertain, and shall ascertain annually, energy development and conservation employment impact data by type and scale of energy technologies used. The Secretary shall present the best available data to the Secretary of Energy, the Secretary of Housing and Urban Development, and the Director of the Office of Management

and Budget as part of the budgetary process and to the appropriate Committees of Congress annually.

(c)(1) On or before March 1, 1979, the Joint Economic Committee shall report to Congress on the ability of targeted structural employment and training programs to achieve and sustain (A) a decrease in unemployment rates among those segments of the labor force having special difficulties in obtaining employment and (B) a decrease in the national unemployment rate without exacerbating inflation and shall make such recommendations, as the Committee deems appropriate, for improving the ability of targeted structural employment and training programs to achieve such goals. The Joint Economic Committee shall, to the extent feasible, consult with appropriate Federal agencies, the Human Resources Committee of the Senate and the Committee on Education and Labor of the House of Representatives, the Congressional Budget Office, the National Commission for Employment and Training Policy, the Board of Governors of the Federal Reserve, and other appropriate individuals, both public and private, and obtain their assistance in preparing the report.

(2) The Joint Economic Committee, as part of the report to the Congress required under paragraph (1), is requested to include, with recommendations, if any, an analysis of the subject of incentive grants, or other assistance permissible under this Act, to private employers in reducing unemployment rates among individuals eligible for assistance under this Act, through national priority projects, including, but not limited to better housing, health care, agriculture. and transportation.

(d) The Secretary shall develop information relating to the number of individuals who have attained 16 years of age and who are members of a family with an income which is equal to or less than 70 percent, 85 percent, and 100 percent of the lower living standard income level for the jurisdiction of each prime sponsor. The Secretary shall prepare and submit as part of the annual report submitted on March 1, 1980, under section 127(a) to the President and to the Congress a report on the information required by this subsection.

ASSISTANCE TO PLANT, AREA, AND INDUSTRY-WIDE LABOR MANAGEMENT COMMITTEES

Sec. 6. (a) This section may be cited as the "Labor Management Cooperation Act of 1978".

(b) It is the purpose of this section—

(1) to improve communication between representatives of labor and management;

(2) to provide workers and employers with opportunities to study and explore new and innovative joint approaches to achieving organizational effectiveness;

(3) to assist workers and employers in solving problems of mutual concern not susceptible to resolution within the collective bargaining process;

(4) to study and explore ways of eliminating potential problems which reduce the competitiveness and inhibit the economic development of the plant, area or industry;

(5) to enhance the involvement of workers in making decisions that affect their working lives;

(6) to expand and improve working relationships between workers and managers; and

(7) to encourage free collective bargaining by establishing continuing mechanisms for communication between employers and their employees through Federal assistance to the formation and operation of labor management committees.

(c)(1) Section 203 of the Labor-Management Relations Act, 1947, is amended by adding at the end thereof the following new subsection:

"(e) The Service is authorized and directed to encourage and support the establishment and operation of joint labor management activities conducted by plant, area, and industrywide committees designed to improve labor management relationships, job security and organizational effectiveness, in accordance with the provisions of section 205A.".

(2) Title II of the Labor-Management Relations Act, 1947, is amended by adding after section 205 the following new section:

"Sec. 205A. (a)(1) The Service is authorized and directed to provide assistance in the establishment and operation of plant, area and industrywide labor management committees which—

"(A) have been organized jointly by employers and labor organizations representing employees in that plant, area or industry; and

"(B) are established for the purpose of improving labor management relationships, job security, organizational effectiveness, enhancing economic development or involving workers in decisions affecting their jobs including improving communication with respect to subjects of mutual interest and concern.

"(2) The Service is authorized and directed to enter into contracts and to make grants, where necessary or appropriate, to fulfill its responsibilities under this section.

"(b)(1) No grant may be made, no contract may be entered into and no other assistance may be provided under the provisions of this section to a plant labor management committee unless the employees in that plant are represented by a labor organization and there is in effect at that plant a collective bargaining agreement.

"(2) No grant may be made, no contract may be entered into and no other assistance may be provided under the provisions on this section to an area or industrywide labor management committee unless its participants include any labor organizations certified or recognized as the representative of the employees of an employer participating in such committee. Nothing in this clause shall prohibit participation in an area or industrywide committee by an employer whose employees are not represented by a labor organization.

"(3) No grant may be made under the provisions of this section to any labor management committee which the Service finds to have as one of its purposes the discouragement of the exercise of rights contained in section 7 of the National Labor Relations Act (29 U.S.C. 157), or the interference with collective bargaining in any plant, or industry.

"(c) The Service shall carry out the provisions of this section through an office established for that purpose.

"(d) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year 1979, and such sums as may be necessary thereafter.".

(d) Section 302(c) of the Labor Management Relations Act, 1947, is amended by striking the words "or" after the semicolon at the end of subparagraph (7) thereof and by inserting the following before the period at the end thereof: "; or (9) with respect to money or other things of value *paid by an employer to a plant, area or industrywide labor management committee established for one or more of the purposes set forth in section 5(b) of the Labor Management Cooperation Act of 1978".*

(e) Nothing in this section or the amendments made by this section shall affect the terms and conditions of any collective bargaining agreement whether in effect prior to or entered into after the date of enactment of this section.

REPEALER

SEC. 7. Section 104 of the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93–567), is hereby repealed.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

Carl D. Perkins,
Augustus F. Hawkins,
John H. Dent,
Edward P. Beard,
Michael O. Myers,
Joseph A. Le Fante,
Ted Weiss,
William Clay,
Baltasar Corrada,
Albert H. Quie,
Ronald A. Sarasin,
James M. Jeffords,
Carl Pursell,
Managers on the Part of the House.

Gaylord Nelson,
Harrison A. Williams,
Edward M. Kennedy,
Alan Cranston,
William D. Hathaway,
Don Riegle,
Jacob K. Javits,
Richard S. Schweiker,
Orrin G. Hatch,
John Chafee,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2570) to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—ADMINISTRATIVE PROVISIONS

The Senate statement of purpose includes coordination with public assistance programs. The House amendment includes self-employment training programs.

The conference agreement provides for including both provisions in the statement of purpose.

Both bills provide definitions for prime sponsor. The House amendment provides that the Secretary may make financial assistance available to a prime sponsor to enable it to carry out all or a substantial part of a comprehensive employment and training plan. The Senate bill has no provision relating to funding part of a comprehensive plan.

The House recedes.

Both bills provide for appropriate area planning bodies to serve subareas within each State prime sponsor's area. The Senate bill provides that arrangements for such bodies shall be done in coordination with units of general local government. The House amendment has no similar provision.

The House recedes.

Both bills provide for the prime sponsor to submit an overall plan and an annual plan. The House amendment provides that formulation of the plan shall involve the active participation of the prime sponsor planning council. The Senate bill has a similar provision in section 109.

The Senate recedes.

Both bills provide for a detailed analysis of the area to be served, including geographic and demographic characteristics. The House amendment adds a requirement for characteristics of significant segments of the population to be served (with data indicating the number of potential eligible participants and their income and employment status). The Senate bill has no similar provision.

The Senate recedes.

Both bills require a detailed description of the methods and arrangements used to involve community based organizations in the development and implementation of the programs. The Senate bill also requires the involvement of educational agencies and other deliverers of services in the development and implementation of the programs. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the selection of deliverers of services will be from an inventory of potentially available deliverers (which have expressed an interest in writing) maintained by the prime sponsor as records accessible to the public and a description of the procedures used to place individuals on the administrative staff; the House amendment does not. The House amendment requires the plan to include the criteria for determining that a program has "demonstrated effectiveness;" the Senate bill does not.

The House and Senate each recede in part. The House recedes to the Senate provision requiring a description of the methods and criteria which will be used to select deliverers of services from an inventory of potentially available deliverers (which have expressed an interest in writing) maintained by the prime sponsor as records accessible to the public, and a description of the procedures used to place individuals on the administrative staff.

The Senate recedes to the House provision requiring the inclusion of the criteria for determining that a program has "demonstrated effectiveness", only as long as that criteria would not preclude new organizations from being so determined when their effectiveness has been demonstrated in other service activities.

(8) Both bills provide for a description of the procedures for the selection of and the arrangements made with respect to consultation with the prime sponsor planning council. The Senate bill includes the youth council and the private industry council. The House amendment has no similar provision.

The House recedes.

Both bills provide that employment and training services will be provided to those most in need of them. The Senate bill provides that this will be done to the maximum extent feasible; the House amendment requires a description of arrangements to insure it. The House amendment lists as those most in need low-income persons, handicapped persons, persons facing barriers to employment commonly experienced by older workers, and persons of limited English-speaking ability, and provides that the need for continued funding of programs of demonstrated effectiveness is taken into account in serving such groups and persons; the Senate bill does not.

The Senate recedes.

The Senate bill requires the plan to include procedures to assure that nondiscrimination and equal employment opportunities are provided. The House amendment has no similar provision.

The House recedes.

Both bills require arrangements with community-based organizations serving the poverty community for their participation in the planning of programs included in the plan. The Senate bill includes education agencies serving youth; the House amendment has no similar provision. The House bill includes only those community-based organizations which are not represented on the planning council; the Senate amendment does not contain that limitation.

The Senate recedes with an amendment to include appropriate arrangements with education agencies serving youth.

Both bills require a description of the utilization of services and facilities available from Federal, State, and local agencies. The Senate bill provides that the utilization of such services will be done to the extent deemed appropriate by the prime sponsor after giving due consideration to the effectiveness of such existing services and facilities. The House amendment provides that it will be based upon a written evaluation of the local effectiveness of such existing services and facilities.

The House recedes.

In addition to the agencies listed in both bills, the Senate bill includes in the list of such agencies the State public assistance agencies, postsecondary institutions, other public agencies and community based organizations. The House amendment includes postsecondary training and education institutions and community action agencies.

The House recedes with an amendment to combine the list of agencies.

Both bills authorize the use of services from private agencies, institutions, and organizations which can, at comparable cost, provide substantially equivalent training or services. The House amendment includes private employment agencies in the list of eligible agencies, and allows their use when they can aid in reducing unemployment or labor shortages; the Senate bill has no similar provision.

The House recedes.

The House amendment requires a description of arrangements (1) for the use of skill centers and other public vocational education facilities in the area, (2) to coordinate services for which financial assistance is provided under programs administered by the Secretary relating to employment and training and related services, and (3) to promote maximum feasible use of veterans apprenticeship or other on-the-job training opportunities. The Senate bill has no similar provision.

The Senate recedes.

Both bills require a description of arrangements made to assure the participation of and consultation with various agencies. The Senate bill includes designated educational agencies and institutions. The House amendment includes local educational agencies.

The Senate recedes.

Both bills require the prime sponsor to provide adequate assurances of compliance with the Act, regulations, and plan. The Senate bill requires a detailed description of record keeping procedures which will allow the Secretary to audit and monitor the prime sponsor's program, concerning eligibility of participants and propriety of participant selection procedures and practice. The House amendment requires adequate assurances that books of accounts on the expenditure of funds will be maintained in a manner sufficient to assure adequate supervision and monitoring.

The House recedes with an amendment to require that books of account on the expenditure of funds provided under this Act will be maintained.

The Senate bill includes a detailed description of procedures for the monitoring and auditing of any subgrantees or subcontractors. The House amendment does not.

The House recedes with an amendment to merge the provisions.

The Senate bill provides "and such other items the Secretary may require by regulation." The House bill has no similar provision.

The Senate recedes. The conferees, by deleting this and other similar provisions throughout the Senate bill (sections 103(a)(13), 103(b)(11), 121(t), and 122(p)), are not attempting to limit the Secretary's authority to issue regulations. Section 127 of the Senate bill and section 126 of the House amendment both authorize the Secretary to issue such rules and regulations as deemed necessary.

The House amendment requires (1) a description of the utilization of public vocational education facilities and programs and other facilities of local education agencies; (2) evidence of a continuing process of consultation with interested groups, representatives of local education agencies, and postsecondary educational agencies; (3) a description of the methods for cooperation between the prime sponsor and the State employment security agencies; (4) a description of the procedures concerning academic credit; (5) a description of recommendations of members of the prime sponsor's planning council which were not included in the plans, and why; (6) a description of actions to insure compliance with personnel procedures and collective bargaining agreements; (7) a description of efforts made to remove artificial barriers and (8) a description of plans and activities to coordinate, strengthen, and expand employment and training activities under the act with economic development activities in the private sector. The Senate bill has no similar provisions.

The Senate recedes.

Both bills require a description of the eligible population. The Senate bill requires the population to be identified by race, sex, national origin, and age and a description of the proposed activities and services for participants from these significant segments of the eligible population. The House amendment provides for the geographic and demographic characteristics of the eligible population.

The House recedes.

The Senate bill requires a description of the services for those who are experiencing severe handicaps in obtaining employment, including those who lack credentials, require basic and remedial skill development, are handicapped, disabled or Vietnam-era veterans, offenders, displaced homemakers, 55 years or older, or public assistance recipients. The House amendment requires a description of plans to provide for the needs of persons who face particular disadvantages as identified in title III.

The House recedes with an amendment to combine the Senate list with those identified in title III of the House amendment.

The Senate bill requires a description of services to be provided, the prime sponsor's performance and placement goals, and the relationship of the goals to the Secretary's performance standards. The House amendment requires a statement on any changes in the standards and goals, a summary of the results achieved and a statement on problems encountered.

The House recedes.

Both bills require the proposed budget for the program year. The House amendment requires a detailed summary of the expenditures made during the preceding year, results achieved, and changes made in the plan for the program year. The House bill further requires: (1) the methods for determining priorities for services under title II; (2) a list of specific contracts from previous year; (3) a summary of any evaluation conducted in the prime sponsor's area; (4) a description of an affirmative action program for outreach to and training, placement and advancement of handicapped individuals in employment and training programs under the Act; (5) a copy of all agreements made pursuant to section 203(c) relating to agreements with educational agencies; and (6) the Secretary shall establish procedures for submittal, approval, and implementation of changes in the plan, together with any reports required, not more than once per fiscal quarter. The Senate bill does not.

The Senate recedes with conforming amendments and an amendment to require information on positive placements rather than job placements. Nothing in this paragraph is intended to conflict with the Secretary's authority to issue or promulagte performance standards.

Further, the conferees note that this information should be integrated in the same annual plan.

The Senate bill requires a description of the relationship between job development and placement under the act and other employment and training programs in the area served, and efforts made, or to be made, to coordinate programs under the Act with other such programs; (2) programs to orient and prepare participants for their job responsibilities; and (3) efforts to be undertaken to involve the private sector. The House does not.

The House recedes.

Both bills require a description of wage rates or salaries to be paid persons in public service employment and a comparison with wages paid for similar public occupations. The Senate bill also requires such a comparison of fringe benefits and a description of levels of employment not supported under the Act and layoffs, and hiring and promotional freezes in each employing agency. The House bill has no comparable provision.

The House recedes with an amendment to specify public employment.

The Senate bill requires that the prime sponsor's plan be submitted to designated agencies so as to give them 30 days time for comment. The House amendment has no such provision.

The House recedes with an amendment designating the plans the master and annual plans.

The Senate bill requires that the plan be submitted to each House of the State legislature; the House amendment requires that it be transmitted to the appropriate committee of each such House.

The House recedes with an amendment to clarify that both the master and annual plans are submitted.

The House amendment specifies that no plan be disapproved solely on the basis of the proposed allocation of funds to any program or activity although a portion of a plan may be disapproved and that it contained adequate provisions for supervision and monitoring of programs. The Secretary is required to review the success of any training program which is to be refunded and to be satisfied as to the procedures for verifying eligibility. The Senate bill has no comparable provisions.

The Senate recedes with an amendment to delete the requirement that the Secretary review the success of any training program.

The Senate amendment requires the prime sponsor to consider and transmit to the Secretary any comments received from the Governor, the State employment and training council and the prime sponsor planning council. The House amendment has no comparable provision.

The House recedes.

The House amendment requires the Secretary to review the success of any training program which is to be refunded and to be satisfied that the program has achieved sufficient placement results to merit continuation. The Senate bill has no similar provision.

The House recedes.

The House amendment requires the Secretary to inform prime sponsors of the penalties to be imposed upon a finding of ineligibility of a recipient. The Senate bill has no comparable provision.

The Senate recedes with an amendment to change recipient to participant.

The House amendment requires that professional standards of management will be attained. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill requires a notice of disapproval to be transmitted to the Governor and the prime sponsor with a statement of reasons. The House amendment has no comparable provision.

The House recedes.

The House amendment provides that the Secretary shall establish a date for submission of the annual plan, and shall do so no later than March 31 of the fiscal year preceding the fiscal year in which the plan will take effect. It further requires the Secretary to provide each prime sponsor with a complete set of applicable regulations and application materials by May 15 each year, and provides that if the Secretary cannot provide a complete set of applicable regulations and necessary materials by May 15 of the fiscal year preceding the program fiscal year, the Secretary shall extend the date for the submission of the prime sponsor's annual plan. Further, if the Secretary changes or issues regulations or guidelines after the prime sponsor has submitted a plan, the prime sponsor will have at least 3 months to correct the plan. The Senate bill has no comparable provision.

The Senate recedes.

Both bills require the Governor's plan to coordinate all employment and training, education and related services provided by the State. The Senate bill provides that the coordination should extend to the State education agencies and other appropriate institutions of vocational and higher education, and State and local public assistance agencies. The House amendment has no similar provision.

The House recedes.

Both bills require coordinating programs financed under the Wagner-Peyser Act. The House amendment includes assisting in the negotiation of any agreements, including partnership agreements. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill includes provisions to (1) provide labor market and occupational information; and (2) facilitate and foster the activities of the State Occupational Information Coordinating Committee. The House amendment has no similar provision.

The House recedes.

Both bills require that the Governor's plan be approved by the Secretary. The House amendment provides that approval is conditional on review by the State employment and training council. The Senate bill has no similar provision.

The House recedes.

Both bills establish within the Office of the Secretary, a division/unit for monitoring and auditing. The House bill specifies the functions, responsibilities, duties, and powers of the unit. The Senate bill has no similar provisions.

The conferees deleted this provision because a very similar provision will be signed into law. However, the conferees do expect the Secretary to provide, within the new Office of Inspector General, for a unit whose sole responsibility will be that of monitoring the CETA program.

The House amendment provides that the Director shall replace any undesirable performance indicators, defined as those which give an incentive not to serve the most severely disadvantaged. The Senate bill has no comparable provision.

The Senate recedes with an amendment to relocate the provision in that part of the Act outlining performance standards.

Both bills require the establishment of a grievance procedure by the prime sponsor. The House amendment provides that a hearing must be held within 30 days after the filing of a grievance. The Senate bill requires the Secretary to promulgate regulations.

The House amendment provides that, with the exception of those alleging fraud or criminal activity, grievances must be filed within 1 year of the occurrence. The Senate bill has no similar provision.

The conference agreement provides that each recipient of funds under the Act shall establish formal and informal grievance procedures for resolving complaints pertaining to the conditions and terms of employment of CETA participants employed by such recipient. Prime sponsors would establish grievance procedures for resolving complaints pertaining to the terms and conditions of employment of CETA participants employed by the prime sponsor as well as any other complaint about the program arising from its participants, subgrantees, contractors or other interested parties. Recipients of fund under the Act and national contractors would resolve a complaint within 60 days of its receipt. Upon exhaustion of local remedies, a complainant would be premitted appeal to the Secretary of Labor who would make a determination on the validity of the complaint within 120 days of its receipt.

The Senate bill provides that the Secretary shall revoke a prime sponsor's plan for maintaining a practice or pattern of discrimination. The House amendment provides that the Secretary may revoke a prime sponsor's plan in whole or in part.

The House recedes with an amendment to provide that the Secretary shall revoke a plan in whole or in part.

(41) The Senate bill provides that the Secretary may revoke a prime sponsor's plan if a prime sponsor fails to provide participants with employment or training opportunities commensurate with their capabilities, and for failing to give due consideration to the eligible population in areas of chronic or concentrated unemployment. The House amendment has no similar provision.

The House recedes with an amendment to delete language relating to stereotype attitudes.

Both bills provide authority to the Secretary to terminate or suspend financial assistance under the act if a recipient is failing to comply with the act or regulations. The Senate bill provides that the assistance may be withheld if a recipient has not taken appropriate action against its subcontractors, subgrantees, and other recipients. The House amendment has no similar provision.

The House bill provides that the Secretary may take whatever action is necessary against operators under a non-financial agreement. The Senate bill has no similar provision.

The conference agreement is to combine both provisions.

The Senate bill authorizes the waiving of repayment of funds improperly spent on public service employment programs if the Secretary determines that requiring payment would not serve the purposes of this section and the Secretary takes such other sanction or corrective actions as are appropriate.

The House bill makes repayment mandatory.

The House recedes with an amendment which (1) limits the Secretary's authority to provide a waiver only to the repayment of funds, (2) that, the "special circumstances" for such waiver be demonstrated by the recipient and (3) that the waiver only be provided if repayment does not serve the purpose of enforcing the requirements of the section.

The conferees wish to emphasize that the Secretary should grant such waivers only in the most limited circumstances and that the burden of proof for establishing "special circumstances" rests on the recipient.

Both bills provide the Secretary with authority to immediately terminate, in emergency situations, financial assistance to prime sponsors. The Senate bill requires that within 30 days of such a termination, the Secretary will provide the affected recipient with an opportunity for a hearing; the House amendment does not contain that time limit for hearings. The House amendment also provides that the Secretary shall not delegate any of his functions or authority granted by the subsection, to anyone other than an officer whose appointment required Senate confirmation. The Senate bill has no comparable limitation.

The Senate recedes with an amendment to provide an opportunity, within 30 days, for a hearing.

Both bills authorize the Secretary to take corrective actions when it has been found that a recipient has in any manner discriminated against a participant.

The Senate bill authorizes the Secretary to take corrective actions when a recipient has discriminated against any person, failed to serve equitable segments of the eligible population, or failed to provide employment and training opportunities at levels of skill and remuneration that are commensurate with the participant's capabilities or potential capabilities; the House bill does not.

The Senate bill also requires that the Secretary shall, within 30 days, take such action or order such corrective measures, as necessary; the House bill provides that the Secretary may take such actions.

The House recedes. The conferees intend that the 30 day period shall not operate as a statute of limitations.

The Senate bill provides that the existence of remedies does not preclude a person from instituting a civil action or pursuing other remedies authorized under Federal, State or local law. The House blil has no similar provision.

The House recedes.

The House amendment provides that, if the Secretary withholds funds on account of expenditures in violation of the Act, he may order the prime sponsor to carry out the plan with non-Federal funds unless the prime sponsor elects to terminate participation as a grantee under the Act. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that with the consent and consideration of State agencies charged with the administration of State laws, the Secretary is authorized to utilize the services of State agencies for carrying out the provisions relating to sanctions and criminal provisions. The House amendment has no similar provision.

The House recedes.

The House bill provides that the Secretary shall not revoke a prime sponsor's plan, except in emergency situations, without first instituting informal procedures for resolving the problem. The Senate bill has no similar provision.

The Senate recedes.

The House amendment authorizes the Secretary to require prime sponsors to participate in unified audit procedures. The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides judicial review for "interested persons." The Senate bill does not.

The Senate recedes.

Both bills provide that prime sponsors shall establish a planning council and list the persons or groups to be represented on the council. The Senate bill includes representatives of handicapped individuals, public assistance agencies, and labor.

The House amendment includes organized labor and employees who are not represented by organized labor.

The House recedes with an amendment to include representatives of organized labor and employees who are not represented by organized labor.

The Senate bill provides that the prime sponsor shall provide a full-time professional, technical and clerical staff responsible for serving the council. The House amendment has no similar provision.

The House recedes with an amendment to delete the reference to full-time staff and require that the prime sponsor will provide a staff to provide professional, technical and clerical assistance to the council.

Both bills require the council to meet and have open and accessible meetings. The Senate bill requires at least 6 meetings per year; the House amendment provides for no less than 4 meetings per year.

The Senate recedes with an amendment to require that the council meet at least 5 times per year.

Both bills require the council to participate in the development of and submit recommendations regarding the prime sponsor's plan. The Senate bill provides that special consideration shall be given to the recommendations of the council. The House amendment does not.

The House recedes.

The Senate bill requires that the council take into consideration any comments and recommendations of the private industry council in the development of the comprehensive employment and training plan. The House bill has no similar provision.

The House recedes.

The Senate bill requires the Governor to provide a full-time professional, technical and clerical staff responsible for serving the State employment and training council. The House amendment has no similar provision.

The House recedes with an amendment to delete the reference to full-time staff and require that the Governor is to provide a staff to provide professional, technical and clerical assistance to the council.

The Senate bill provides that the council shall be composed of one quarter representatives of governments; one quarter representatives of business, organized labor and agricultural employers and employees; one quarter representatives of the eligible population and the general public and one quarter representatives of service deliverers. The House amendment provides that one third of the council members shall be representatives of general governments and one representative each from the State Board of Vocational Education, the State Advisory Council on Vocational Education and the State employment service; one third from organized labor, business, agricultural employers and workers, community based organizations, veterans organizations and organizations of the elderly and one third shall be representatives of the eligible population and the general public, plus such non-voting ex-officio members as the Governor may appoint.

The House recedes.

Under the Senate bill, the council shall meet at least 6 times a year. Under the House amendment it shall meet at least 4 times a year.

The Senate recedes with an amendment to require that the council meet at least 5 times per year.

Both bills require the council to assess the extent to which various programs represent a coordinated approach to meeting employment and training needs. The Senate bill includes public assistance among such programs. The House amendment does not.

The House recedes.

The Senate bill requires the council to participate in the development of the Governor's coordination and special services plan. The House does not.

The House recedes.

AUTHORIZATION LEVELS

[Dollar amounts in billions]

	Fiscal year 1979	Fiscal year 1980	Fiscal year 1981	Fiscal year 1982
Title II:				
Senate bill	Open end	Open end	Open end	Open end.
House amendment	$4	$4.29	$4.583	$4.876.
Conference Agreement:				
Parts A, B, and C	$2	Open end	Open end	Open end.
Part D	$3	Ppen end, but no more than 60 percent of the total appropriation for title II.		
Title III:				
Senate bill	20 percent of total minus title II–D and title VI.			
House amendment	20 percent of title II.			
The House recedes.				
Title IV:				
Senate bill:				
Part A	Open end	Open end		
Parts B and C	do	do	Open end	Open end.
Part D	do	do		
House amendment:				
Part A	do	do		
Total	$2.25	$2.4	Open end	Do.
The Senate recedes.				
Title V:				
Senate bill	$0.003	Open end	do	Do.
House amendment	Open end	do	do	Do.
The Senate recedes.				
Title VI:				
Senate bill	do	do	do	Do.
House amendment	An amount sufficient to fund jobs for 20 percent of unemployed over 4 percent.			
Conference agreement	An amount sufficient to fund jobs for 20 percent of unemployed over 4 percent, except when unemployment reaches 7 percent, then sufficient funds for 25 pere cent of the unemployed in excess of 4 percent determined according to th- procedures established in sec. 602.			
Title VII:				
Senate bill	$0.4	Open end		
House amendment	$0.5	$0.525		
The Senate recedes.				
Title VIII:				
Senate bill	Open end	Open end	Open end	Open end.
House amendment	$0.35	$0.4	do	Do.
The Senate recedes.				
Labor Management Committee:				
Senate bill	$0.01	Open end permanent.		
House amendment	No provision			
The House recedes.				

The Senate bill provides that participants shall not be employed in a religious program, or in an activity which is of direct financial benefit to a sectarian institution. The House amendment has no similar provision.

The Senate recedes.

The Senate bill provides that no allowance may be paid for institutional or classroom training in excess of 104 weeks in a 5 year period. The House amendment provides that no allowances or wages will be paid to a person for institutional, classroom training, or work experience, in excess of 104 weeks in any 3 year period, subject to a waiver for work experience programs in areas with a lack of alternative job opportunities.

The House recedes.

Both bills provide that all programs, to the maximum extent feasible, shall contribute to the occupational development, upward mobility, development of new careers, and overcoming sex stereotyping. The House amendment provides including procedures which will lead to skill development and job opportunities for participants in occupations traditionally limited to the opposite sex. The Senate bill does not.

The Conferees have been informed of a recent regulation by the Department of Labor that will apply all carry-over funds to the prime sponsors in FY 79 allocations provided under new authorizations, whatever the source of these funds. This will penalize any prime sponsor who have met their plan goals and who did so at less than planned cost. The Conferees do not oppose applying these funds, but only if such carry-over results from a failure of a prime sponsor to meet their plan goals. If primes have met their goals, the Conferees expect that these funds will be available to them in addition to their regular FY 79 allocations.

The Senate recedes.

The Senate bill provides that to the extent practicable funds shall be used to supplement and not to supplant the level of funds that would otherwise be available from non-Federal sources for the planning and administration of programs. The House amendment does not include to the extent practicable.

The Senate recedes.

The House amendment provides that the effectiveness of services available from Federal, State and local agencies shall be decided by the prime sponsor. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill provides that no nongovernmental individual, institution, or organization shall evaluate any program under this Act if such individual, institution, or organization is associated with that program as a consultant, technical advisor or in any similar capacity. The House amendment provides that the aforementioned shall not be paid any funds under this Act to evaluate any program under the Act if they have such connections.

The Senate recedes.

The Senate bill provides that no member of any council under this Act shall vote on any matter which would financially benefit the member or the organization which the member represents. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that work experience shall not exceed a total of 1,000 hours for any person for any year, except in-school youth, and not more than 2,000 hours in a 5 year period, and work experience shall only be for persons who need assistance in becoming accustomed to basic work requirements, including basic work skills, in order to be able to complete successfully in the labor market. The House amendment, in section 121(c)(2)(A), provides that work experience is limited to 104 weeks in any 3 year period, and, in section 212(b)(2) that, except for in-school youth, it shall be designed to lead to unsubsidized employment and that the durational limits may be waived if the prime sponsor's plan, as approved by the Secretary, states that the lack of alternative job opportunities in the area makes such progress and duration impractical.

The House recedes.

The conferees note that the House provision contains a waiver for work experience programs in areas with a lack of alternative job opportunities. The conferees further note,

The conferees intend that the limitations in subsection (N) are not intended to abolish programs, such as the operation mainstream program, which are intended for workers who have had work experience but who, because of their age, have no alternative job opportunities.

These limitations also would not apply to programs such as the supported work programs (currently called work experience by the Department of Labor) which involve substantially more than 1,000 hours per year.

The Senate amendment provides that funds may be used, for the duration of participation, for contributions on behalf of participants who are, prior to July 1, 1979, enrolled in retirement plans or systems, and that after that date, no funds under this act may be used for such contributions unless the contribution bears a reasonable relationship to the cost of providing benefits to participants and provides technical assistance for compliance. The House amendment provides that funds may be used for contributions only on behalf of participants enrolled in retirement systems or plans prior to January 1, 1980 or to provide benefits other than retirement benefits based on age or service or both.

The House recedes.

The Senate bill provides that all programs for in-school youth shall be consistent with applicable State educational standards. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall take appropriate steps to provide for increased participation of qualified disabled and Vietnam-era veterans in public service employment programs and job training opportunities, but nothing shall authorize the Secretary to establish a hiring or participation goal for such veterans; the Secretary shall consult with and solicit the cooperation of the Administrator of Veterans' Affairs. The House amendment provides that special consideration shall be given to Vietnam veterans.

The House recedes with an amendment to give special emphasis to Vietnam-era veterans who served in the Indochina Theater (which includes Korea and such other areas in Southeast Asia as are appropriate). The conferees do not expect this provision to conflict with the ability of prime sponsors to establish a system to determine local priorities based on locally established criteria under Title II.

The House amendment defines what special consideration for veterans means. The Senate bill does not.

The Senate recedes with an amendment to change "special consideration" to "appropriate steps".

The House amendment provides that the Secretary shall carry out the responsibilities for the assignment of assistant veterans of employment representatives and for the listing of all suitable employment openings with local offices of the employment services and providing for affirmative action. The Senate bill has no similar provision.

The House recedes. The conferees believe that since this provision is already in law there is no need to restate it. However, the conferees do expect the Secretary to carry out his duties and responsibilities.

The Senate bill requires that the programs shall meet such other conditions consistent with the purposes of the act, as the Secretary may require by regulation. The House amendment has no similar provision.

The Senate recedes.

Both bills provide for a limit of 2½ years of participation in any program under the Act in any five year period. The House amendment has a waiver for work experience programs in areas with a lack of alternative job opportunities. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that payments for the costs of lower productivity are those associated with employing an individual who lacks the requisite skills to perform the job in which the individual is placed, and the length for which such payments may be made shall not exceed that period of time generally required for the acquisition of skills needed for such a job. The House amendment provides that the costs of low productivity shall be defined by regulations of the Secretary.

The House recedes.

The House amendment includes geothermal in the list eligible energy technology employment and training opportunities. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill provides that no prime sponsor may use funds received under this act to assist or promote union organizing. The House amendment provides that no funds under the act may be used to aid the efforts of any labor organization to organize, to engage in collective bargaining, or to engage in any political activity, and that funds found by the Secretary or by a court to have been improperly expended shall be refunded promptly to the U.S. Treasury.

The House recedes with an amendment to provide that without limiting the powers otherwise granted to the Secretary, funds found by the Secretary to be in violation of this subsection shall be refunded promptly to the United States Treasury.

The Senate bill provides that no individual may be required to join a union as a condition of enrolling in a program assisted under this act in which only institutional training is provided, unless such training involves individuals employed under a collective bargaining agreement which contains a union security agreement. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that public service employment shall be designed, to the extent feasible, to enable participants to move into public or private employment or training not supported under this act. The House amendment, in section 212(b)(1) provides that public service employment under that title shall be (1) designed to lead to unsubsidized employment, (2) entry level, (3) combined with training and supportive services if they are reasonably available in the area.

The Senate recedes.

The Senate bill provides special consideration for the most severely disadvantaged in filling public service jobs. The House amendment provides for preference for such individuals.

The Senate recedes with an amendment to state that public service jobs are intended for eligible persons who are the most severely disadvantaged in terms of their length of unemployment and their prospects for finding employment.

The Senate bill provides that special consideration in filling public service jobs shall be given to eligible persons who are either eligible for or receiving public assistance. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that special consideration shall be given to eligible disabled and Vietnam-era veterans, and special emphasis shall be given to the development of jobs which utilize, to the maximum extent feasible, the skills the veterans acquired in their military training and service. The House amendment has no similar provision.

The House recedes with a technical amendment and an amendment to give special emphasis to those Vietnam-era veterans who served in the Indochina Theater (which includes Korea and such other areas in Southeast Asia as are appropriate).

The Senate bill provides that special emphasis in filling public service jobs shall be given to eligible members of groups identified in section 301(a), taking into account the household support obligations of such applicants, but nothing in the act shall authorize the Secretary to establish hiring or participation goals for such persons; further, the special efforts shall be made to acquaint such persons with the employment and training opportunities available under the act, and to coordinate efforts on behalf of such persons with activities under section 301. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary may temporarily waive the maximum time limits for a maximum of 6 months on enrollment in public service employment programs when the Secretary determines that a recipient has faced unusually severe hardships in its efforts to transition public service employees into regular public or private employment not supported under this act because of the high unemployment in the area of service. The House amendment provides that the Secretary may provide a temporary waiver for a limited number of persons who were originally hired in a public service employment program prior to April 1, 1978, and who continue to be so employed on September 30, 1979, in the case where a prime sponsor has faced unusually severe hardships in transitioning these enrollees into jobs not subsidized under this act and in the case of native American programs.

The conference agreement provides that the Secretary may provide a temporary extension of time for those persons on board prior to October 1, 1978, and who continue to be so employed on September 30, 1979, in the case of a prime sponsor which the Secretary determines has faced unusually severe hardships in its efforts to transition public service employees into regular public or private employment not supported under this Act. Further, the Secretary may provide a temporary extension, not to exceed 12 months, to either (1) a prime sponsor, or (2) units of general local government in Balance of State areas where unemployment exceeds 7 percent for participants residing in the area, and for which the recipient is facing unusually severe hardships in its efforts to transition public service employees into employment not subsidized under this Act because of high unemployment in the area of service.

The Senate bill provides that public service employment enrollees shall not be paid at a rate in excess of $10,000 per year except that the maximum can be raised, according to a wage adjustment index, but by no more than 20 percent, except in the case of an area where the annual wage exceeds 150 percent of the national average annual wage of all such areas. The House amendment provides that the rate paid to persons in public service employment shall not exceed $10,000 per year except that with respect to any State, where the average wage in covered employment exceeds the national average in covered employment by more than 50 percent and in which government employees receive cost of living allowances, the Secretary may waive the maximum limitation on wages and establish limitations consistent with the purposes of this act.

The House recedes.

The Senate bill provides that the Secretary shall issue appropriate area wage standards to assure an annual average federally-supported wage rate per public service jobholder of $7,800. Average area wages may not exceed the national average by more than 20 percent, except where the average annual wage exceeds 150 percent of the national. The House amendment provides that the Secretary shall issue appropriate standards for the purpose of maintaining nationwide annual average federally supported wage rates in fiscal year 1979, equivalent to $7,000; average wage rates established for public service jobs in each area shall be adjusted annually by a percentage equal to the change in average wages in regular employment not supported under this act in such area.

The Senate recedes with an amendment to increase the average wage to $7,200.

The Senate bill requires that public service employees be provided the benefits provided to other employees similarly classified and that such classification be reasonable and include nonfederally financed employees. However, the bill permits a distinction within a classification between public service employees and others for the purpose of participation in retirement plans. Further it provides that the equal treatment requirements shall not be deemed to require a contribution to a pension plan which cannot be funded under the Act. The House amendment states that the equal treatment requirement of the section shall not be deemed to require the enrollment of any public service employee in any retirement system.

The House recedes.

The Senate bill provides that public service jobs shall meet community needs. The House amendment has no comparable provision.

The House recedes.

The Senate bill provides that no one shall be eligible for a public service employment position, if they have voluntarily terminated, without good cause, their last previous full-time employment at a wage rate no less than the Federal minimum wage. The House amendment has no similar provision.

The House recedes with an amendment providing that this provision apply only to persons who voluntarily left their job within six months of application.

The Senate bill provides that the programs shall meet such other conditions, consistent with the purposes of this act, as the Secretary by regulation may require. The House amendment, section 103(a)(18), provides that prime sponsors shall include adequate assurances of compliance with the act, regulations issued thereunder, and the comprehensive employment and training plan.

The Senate recedes.

The House amendment provides that no funds for public service employment programs may be used to provide public services, through a private organization or institution, which are customarily provided by a State, a political subdivision, or a local education agency in the area served by the program. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that no funds will be paid to any nongovernmental organization for the conduct of program under the act unless it has a meritorious written plan, has been selected on a merit basis, and has an independent monitoring program. The Senate bill has no similar provision.

The Senate recedes but with an amendment to exclude employers under Title VII and on-the-job training contracts from the requirement of a written plan.

The House amendment prohibits the use of funds to assist any alien not lawfully admitted for permanent residence or not authorized by the Attorney General to accept employment .The Senate bill has no comparable provision.

The Senate recedes with an amendment to provide that no recipient under this Act shall knowingly use funds under this Act to employ or serve illegal aliens.

The House amendment requires each prime sponsor to establish an independent monitoring unit the adequacy of which shall be assessed annually by the Secretary. The Senate bill has no comparable provision.

The Senate recedes with an amendment to relocate the provision in the plan requirements section.

The Senate bill provides that employment and training programs may be operated in lower wage industries when (1) there exists a training program, approved by the Secretary, of a specified duration designed to teach specific skills and (2) the rate of labor turnover does not differ substantially from that on other industries in the same area. The House amendment provides that there is no authority for the arrangement of any employment and training program in low wage jobs where prior skill or training is typically not a prerequisite to hiring and where labor turnover is high. This prohibition shall be implemented by an establishment-by-establishment analysis of the jobs offered.

The House recedes.

The House amendment requires that weatherization projects have an adequate number of trained supervisors. The Senate bill has no comparable provision.

The Senate recedes with an amendment to provide that recipients of funds under this Act shall assure an adequate number of supervisory personnel for weatherization projects.

The Senate bill requires the Secretary to facilitate the initiation and extension of weatherization projects. The House amendment has no similar provisions.

The Senate recedes.

The Senate bill requires that the Secretary shall issue regulations setting conditions under which the prime sponsors, in carrying out community improvement projects, community betterment activities, and public service employment projects, may provide work for eligible participants on the rehabilitation of housing for lower-income families as part of community revitalization or stabilization projects. The House amendment does not.

The House recedes.

Under the Senate bill, whenever the Secretary distributes discretionary funds by formula (except under title III), he shall publish the formula in the Federal Register and consider comments before making allocations. The House amendment has a similar provision applicable only to discretionary funds under title VI.

The House recedes.

The Senate bill requires the Secretary whenever funds are distributed by formula to publish proposed allocations in the Federal Register 30 days before the allocation and to consider comments before publishing the final allocation. The House amendment requires the publication of allocations under Title II.

The House recedes with an amendment to delete the 30 day notice requirement and comment period.

The Senate bill requires the Secretary to publish in the Federal Register any change in the method of calculating unemployment for the purpose of allocating funds under any act at least 6 months prior to the effective date of the change. The House amendment has no similar provision.

The conferees intend that, in the event the Bureau of Labor Statistics proposes to make any substantial change in the method of calculating unemployment statistics that is likely to affect the amount of money allocated to any area on the basis of such statistics, due notice will be provided and the proposed change will be published in a timely fashion in order to allow an opportunity for comment prior to becoming effective.

The Senate bill provides that the Secretary shall use discretionary funds that he has available under titles II, III, IV and VI to make payments to prime sponsors in the amount that their allocations under titles II, IV and VI are adversely affected by the discontinuance of the use of the CPS surveys for calculating annual unemployment rates in Standard Metropolitan Statistical Areas and central cities. Such payments shall continue until the Secretary determines that current population survey data is available on a satisfactory basis for such areas and the remaining areas of each State but not later than fiscal 1981.

The House amendment provides for similar old harmless payments but only under titles II and VI and in a maximum amount equal to 15% of the discretionary funds available to the Secretary under those titles, and only until the National Commission for Employment and Unemployment Statistics submits its report to Congress.

The conference agreement provides that for 2 years funds to hold harmless Title II will be from Title II discretionary funds; Title VI from Title VI discretionary funds; and Title IV from Titles II and VI discretionary funds.

The House amendment limits the use of a prime sponsor's administrative funds for making payments on contracts for legal or associated services to situations where comparable services are not available from the Department of Labor and where the payments are not unreasonable and could not be provided by employees of the prime sponsor or other available governmental employees. The allowability of legal costs incurred in litigation with the Department shall be determined in the Office of the Assistant Secretary for Employment and Training. The Senate bill has no comparable provision.

The Senate recedes with an amendment deleting the provisions relating to the Labor Department and adds specific reference to excessive or unnecessary legal fees in subsection (h).

Both bills establish the responsibilities of recipients to take action against subcontractors to prevent misuse of funds. The House amendment authorizes prime sponsors to delegate responsibility for eligibility determination under reasonable safeguards if approved by the Secretary. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill prohibits the use of assistance under the Act to pay a fee for placement into a program under the Act and prohibits the charging of a fee. The House amendment has no comparable provision.

The House recedes.

The Senate bill requires prior notification to the Governor and prime sponsor before the Secretary may fund an activity within the State or prime sponsor area. The House amendment has no comparable provision.

The House recedes with an amendment to make clear that the notification requirement is not a condition of funding any grant or contract.

The Senate bill requires the Secretary and recipients to give special consideration in carrying out programs authorized under the Act to community based organizations which have demonstrated effectiveness in the delivery of employment and training services. The House amendment has similar provisions applicable to prime sponsors and the Secretary with respect to programs under subpart 3 of Title IV–A.

The House recedes. In determining whether a community-based organization has demonstrated effectiveness in the delivery of employment and training services, the prime sponsor may consider the organization's proven effectiveness in programs not directly related to the particular CETA program involved, but which provide a clear and convincing demonstration that the CETA program involved would be effectively carried out.

The House amendment authorizes the Secretary to assist Native American entities in applying for financial assistance for which they may be eligible under the act. The Senate bill has no comparable provision.

The Senate recedes with an amendment to include those qualified under section 302.

The House amendment requires each recipient to make satisfactory provisions for determining and verifying the eligibility of participants in programs under the act.

The House recedes.

The Senate bill provides that allowances shall be no lower than the State or local minimum wage applicable to most employees in the State. The House amendment provides that allowances shall be no lower than the applicable State or local minimum wage law.

The House recedes.

The Senate bill provides for dependents allowances for trainees with more than 2 dependents. The House amendment has no such provision.

The House recedes.

The Senate bill provides that participants may be given allowances for transportation, subsistence, and other expenses incurred in training or employment. The House amendment contains no such provisions applicable to all programs but has provisions applicable to title II.

The House recedes.

In defining artificial barriers to employment the Senate bill refers to limitations in the terms and conditions of employment. The House amendment refers to limitations in the hiring, firing, promotion, licensing and other terms and conditions of employment.

The Senate recedes.

In defining community based organizations the Senate bill has as examples neighborhood groups, vocational rehabilitation organizations, and agencies serving youth. The House amendment lists: United Way of America, National Puerto Rico Forum, neighborhood organizations and rehabilitation facilities as defined in section 7(10) of the Rehabilitation Act of 1973.

The conference agreement combines the definitions of both bills.

The listing of several community-based organizations and categories of community-based organizations does not imply a preference for those organizations over other community-based organizations not listed in the text.

The Senate bill defines offenders as those who have been confined, assigned, or subject to pretrial, probationary, parole or other stages of the criminal justice system. The House amendment defines offender as those who have been subject to any stage of the criminal justice process.

The Senate recedes.

The House amendment includes in the definition sheltered workshop, prison, hospital or similar institution, or in community care. The Senate bill has this definition under unemployed.

The House recedes.

The Senate bill provides that an area of substantial unemployment will be determined over the most recent 12-month period, except for fiscal year 1979 when it will be determined over the high consecutive three months. The House amendment provides that for purposes of title II, an area of substantial unemployment will be determined for any three consecutive months and for the purposes of title VI for the most recent four quarters.

The Conference agreement provides that the term "area of substantial unemployment" means any area of sufficient size and scope to sustain a public service employment program and which has an average rate of unemployment of at least 6.5 percent for the most recent 12 months as determined by the Secretary.

Except that with respect to determinations made for fiscal year 1979, and for parts A, B, and C of title II for any fiscal year, such term means any area of sufficient size and scope to sustain such a program and which has an average rate of unemployment of at least 6.5 percent for any 3 consecutive months within the most recent 12-month period as determined by the Secretary.

Further, determinations of areas of substantial unemployment shall be made once each fiscal year.

In defining veterans outreach the House amendment includes services described in section 305. The Senate bill has no similar provision.

The Senate recedes with a technical amendment.

Under the House amendment, economically disadvantaged includes persons who, on the basis of their past 6-months family income would have been eligible for cash welfare payments and, regardless of income, handicapped individual persons institutionalized in a prison, hospital or similar institution or receiving community care. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill provides a rebuttable presumption that persons claimed as dependents on another's tax return, other than handicapped persons or persons eligible for a community service job under the Older Americans Act, are part of that person's family in the following year. The House amendment "considers" them part of that family, but does not specify that the applicant may have the opportunity to "otherwise demonstrate."

The House recedes.

The Senate bill defines local education agencies in accordance with the definition in the Elementary and Secondary Education Act; the House amendment uses the definition in the Vocational Education Act.

The Senate recedes with an amendment providing that this definition will not apply to the section Part A of title IV program where local education agency will mean those defined in section—( ) of the Elementary and Secondary Education Act of 1965.

The Senate bill includes a definition for designated educational agencies and institutions. The House amendment has no similar provision.

The Senate recedes.

The Senate bill defines entry level as the lowest position in any promotional line. The House amendment adds, as defined locally by collective-bargaining agreements, past practice, or applicable personnel rules.

The Senate recedes.

The House amendments limit the definition of handicapped individual to one who can be reasonably expected to benefit in terms of employability from services provided pursuant to this act. The Senate bill has no similar limitation.

The House recedes.

The Senate bill provides a definition of Vietnam-era veterans as those veterans defined in section 2011(2)(A) of title 38 U.S.C. who are under 35 years of age. The House has no similar provision.

The House recedes.

The Senate bill contains a definition of supportive services.

The House amendment has no similar provision.

The House recedes.

The Senate amendment includes a definition for project. The House amendment does not.

The House recedes.

The Senate bill includes in the definition of displaced homemaker a person who is receiving public assistance on account of dependent children in the home but is within six months of no longer being eligible for such assistance. The House amendment includes any person receiving public assistance on account of dependent children in the home and any person receiving spousal support.

The House recedes with an amendment to provide that the definition of displaced homemaker includes an individual who is or has been dependent upon public assistance as a result of having dependent children.

The Senate bill provides that the Secretary may prescribe performance standards. The House amendment does not.

The House recedes.

Under the Senate bill, the Secretary assesses the adequacy of a prime sponsor's proposed performance and placement goals in accordance with his performance standards which shall give account to variations based on local conditions. Under the House amendment, the Secretary reviews the prime sponsors proposed performance standards under criteria which shall reflect similar factors.

The House recedes with an amendment to require that performance standards take into account appropriate recognition of differences associated with the degree of disadvantage or handicap of the eligible population.

The Senate bill provides that the Secretary may delegate within the Department of Labor authority over the office of management assistance in order to effectively carry out the purposes of that section. The House amendment has no similar provision.

The House recedes. The conferees expect that this office shall not be merged with the on-going activities of the Employment and Training Administration.

The Senate bill provides that the Secretary shall, to the extent feasible, reduce the cost of compliance imposed on prime sponsors by rules and regulations issued under the act. The House amendment has no similar provision.

The House recedes.

The House amendment provides that notwithstanding any other provision of the act no authority to enter into contracts shall be effective, except to such an extent or in such an amount as provided in advance in appropriation acts. The Senate has no similar provision.

The Senate recedes.

The House amendment provides that in the first report submitted by the President after the effective date of this act there shall be recommendations with respect to necessary legislative or administrative changes required to simplify on-the-job training contracting procedures under title II. The Senate has no similar provision.

The Senate recedes with an amendment to require the report to make recommendations with respect to necessary legislative or administrative changes required to simplify on-the-job training contracting procedures under this Act.

The Senate bill requires a detailed report which evaluates all programs; the House amendment requires a detailed report on public service employment activities.

The House recedes.

The House amendment provides that not later than March 31, 1980 the Secretary shall report to Congress proposals for the integration and consolidation of programs established by part A of title IV and title VII with the program established by title II. The Senate bill does not.

The Senate recedes.

The Senate bill provides that the Secretary in preparing a report shall require as a condition of financial assistance that annual reports and evaluations be submitted in accordance with regulations and provides that the data derived from such reports shall be compiled on a State, regional, and national basis and shall be included in the annual report to Congress. Further, the bill details the information which shall be provided in the report, including action taken by the Secretary to reduce the cost of compliance with the regulations issued under this Act. The House amendment provides that the Secretary may require each prime sponsor to prepare and make available to the public periodic reports on its activities under the act and that such reports shall contain such information as the Secretary may require.

The House recedes.

The conferees intend the Secretary to include in the reports mandated in section 128(d) the following data: (a) participant characteristics shall be cross tabulated, including age, race, sex, national origin, handicap, education level, previous wage, termination wage, and public assistance status; (b) average cost per participant shall include breakdowns by wages or salaries, allowances, training, supportive services, fringe benefits, administrative costs, and by program activity; and (c) the types of outcomes that participants experience after the program, including but not limited to placement in the public and private sector, enter school or the military, transfered to another program under this Act, and received public assistance (cross tabulated by program activity).

The Senate bill requires that the Secretary in the annual report shall report on the monitoring and auditing activities of the department, on administrative changes made or proposed to improve such activities and on actions taken under section 106. Complaints and Sanctions, and shall make any necessary proposals for legislative action. The House amendment has no similar provision.

The House recedes with conforming amendments.

The House amendment provides that the Secretary shall transmit to Congress as part of his annual report a detailed report on evaluations and pilot and demonstration projects conducted with funds under the act including employment service prime sponsor demonstration projects. The Senate bill has no similar provision.

The Senate recedes with conforming amendments.

The House amendment provides that the Secretary shall submit a report once each quarter on the efforts being taken to reduce the paperwork in reporting requirements under the act. The Senate bill has no similar provision.

The Senate recedes with conforming amendments and (1) an amendment to require the report on paperwork to be submitted on an annual basis and (2) to permit the Secretary to consolidate reports to the maximum extent feasible, in the Employment and Training Report of the President without reducing the information required by those reports.

The House amendment sets aside $5 million for the establishment of a program for the continuous and comprehensive study and evaluation under contract of recurrent and developing problems in achieving purposes and goals of such programs. The Senate bill has no similar provision.

The House recedes.

The House amendment requires the Secretary to make a determination no later than 120 days after receiving a discrimination complaint. The Senate bill has no similar provision.

The Senate recedes with a conforming amendment.

The House amendment requires the Secretary to provide a focus for the employment and training of handicapped individuals under the Act and review on a periodic basis the adequacy of outreach training, placement and advancement practices with respect to handicapped individuals and to insure that the special needs of such individuals are being met. The Senate bill has no similar provision.

The Senate recedes with a technical amendment.

The Senate bill provides that the Secretary shall complete all audits of recipients of funds which he deems necessary in a timely fashion following the end of the fiscal year for which the audits are made, and that the Secretary shall report on the audits made and actions taken thereon. The House Amendment has no similar provision.

The House recedes.

TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING SERVICES

The Senate bill provides that the purpose of the program is to ease barriers to labor force participation encountered by economically disadvantaged persons. The House Amendment provides that programs shall include the development and creation of training, upgrading, retraining, education, and other services.

The Conference agreement combines both purposes.

The House amendment provides that no prime sponsor shall be allocated under the paragraph 2 formula (current title I) an amount in excess of 150 percent of the amount received in the immediately preceding fiscal year, except if the amount were less than 50 percent of what the prime sponsor was entitled, then the allocation would be increased to 50 percent of the amount to which the prime sponsor is entitled. The Senate bill has no similar provision.

The House recedes.

The Senate bill provides for suballocation from the States to prime sponsors. The House amendment allocates directly to prime sponsors.

The Senate recedes.

The Senate bill provides that 5 percent of the funds available for parts A, B, and C of title II shall be available for grants under the supplemental vocational education assistance program (sec. 204). The House amendment provides that 3 percent of all the funds for the title shall be available for this purpose.

The conference agreement provides that 6 percent of the funds available under parts A, B, and C, shall be available for such grants.

The Senate bill provides 1 percent of the funds allocated under parts A, B, and C for the costs of the State council. The House amendment provides for one-half of 1 percent of all funds allocated under the title.

The House recedes.

The Senate bill provides that 1 percent of the amounts available for title II shall be available to the Governors for encouraging coordination and establishing linkages between prime sponsors and designated educational agencies and institutions, and institutions providing training programs which are approved by the Secretary. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that 4 percent of the funds available for parts A, B, and C of title II shall be available for the Governor's coordination and special services. The House amendment provides that 2 percent of the funds available for title II will be available for the same purpose.

The House recedes.

The Senate bill provides for the utilization of the remainder of the Secretary's discretionary funds. The House amendment specifies the same uses for 85 percent of the remainder of the Secretary's discretionary funds.

The House recedes.

The Senate bill provides that not more than 5 percent of each prime sponsors allocation under parts A, B, and C may be used for programs and activities under Part C: Upgrading and Retraining. The House amendment provides that not more than 4 percent of the prime sponsors allocation under the title may be used for the same purpose.

The conference agreement provides that an amount equal to not more than 4.5% of the amounts available for parts A, B, and C.

The Senate bill provides that public service employment and work experience shall be combined with training and supportive services, taking into consideration individual's skills, interests, prior experience, employability needs, career objectives, and the need for such training and supportive services. The House amendment, in section 212(b)(1)(C) provides that public service employment shall be combined with training and supportive services if they are reasonably available in the area and in section 212(b)(2)(A) that work experience be designed to lead to unsubsidized employment.

The House recedes with an amendment to delete the phrase "work experience."

The House amendment requires prime sponsors to provide assurances that they will make arrangements with State or local education agencies or post-secondary educational institutions for the conduct of employment and training programs. The Senate bill has no similar provision.

The Senate recedes with an amendment to limit this provision to title II programs.

The House amendment requires prime sponsors to give preference to subgrantees whose plans provide for the greatest percentage of positive placements and prohibits the award of further grants to subgrantees who have substantially failed to meet their plan. The Senate bill has no comparable provision.

The House recedes.

The Senate bill provides that funds shall pursuant to agreements between the prime sponsor and State vocational education boards be used to (1) coordinate programs under this act with existing vocational education programs and provide needed vocational education programs; (2) coordinate the utilization of funds under this Act and the Vocational Education Act of 1963 to enhance economic growth and development in the State; (3) develop linkages between vocational education, and training programs under this act and private sector employers; (4) provide technical assistance to vocational education institutions and local education agencies to aid them in making cooperative arrangements with appropriate prime sponsors; and (5) provide information, curriculum materials, and technical assistance in curriculum development and staff developments to prime sponsors. The House amendment provides that funds are to be used only for providing vocational education and services to participants in programs under this title in accordance with an agreement between the State vocational education board and the prime sponsor, and that the State board, prior to making any agreement, shall consult with and obtain the advice and comments from the designated representatives of the State agencies and councils required to be involved in the formulation of the 5-year State plan for vocational education.

The House recedes with an amendment that not more than 15% of the funds available for this section may be used for other than participation services.

The Senate bill provides that the prime sponsor shall assist each individual receiving assistance under this title in developing personalized employability plan and that an assessment of each individual's needs shall be made periodically. The House amendment provides for an assessment of the individual's needs, interests, and potential in the labor market.

The House recedes.

The Senate bill includes supported work programs or activities as an eligible service. The House amendment has no similar provision.

The House recedes.

Both bills include on-the-job training as an eligible activity. The House amendment also provides for small business self-employment training.

The Senate recedes with an amendment providing for training leading to self-employment in small businesses. The conferees intend that this is merely to allow for training which will lead to self-employment in small businesses, and is not intended to subsidize small businesses.

Both bills include work experience as an eligible activity. The Senate bill provides that such activity shall provide employment opportunities for eligible individuals unable to attain employment, which shall be designed to increase the employability of the participants through development of work habits, occupational skills and linkages with other training programs or to provide temporary employment to individuals who are seeking suitable placement in classroom training, on-the-job training, public service employment or other such employment and training opportunities. The House amendment includes transitional entry-level public service employment opportunities, and provides that work experience be designed to lead to unsubsidized employment and be subject to the duration limitations, unless the prime sponsor's approved plan states that the lack of alternative job opportunities in the area makes such progress and duration impractical.

The House recedes generally to the Senate's provisions relating to work expereince. The Senate recedes with an amendment to the House provisions relating to extensions for participation in work expereince programs, and provides that the limitations and conditions do not apply if the prime sponsors plan, as approved by the Secretary, establishes that the lack of alternative job opportunities in the area make such limitations and conditions impractical.

The Senate bill includes transportation as a supportive service. The House bill has no similar provision.

The House recedes.

The Senate bill includes part-time, flexitime, and other alternative workings arrangements for individuals who are unable because of age, handicap or other factors to work full time. The House amendment has no similar provision.

The House recedes.

The House amendment authorizes such activities as payment of allowances to persons in training for which they received no remuneration and payment for such allowances of transportation, and subsistence or other expenses incurred in training or employment. The Senate bill has no similar specific provision.

The Senate recedes with an amendment to delete paragraph (13) displaced homemaker employment assistance programs as described in Section 307.

The Senate bill prohibits the use of funds under parts A, B, and C for public service employment but has a part D authorizing a public service employment program. The House amendment provides a 50 percent limit on the percentage of funds received under title II that may be used by a prime sponsor for public service employment wages in fiscal year 1979 and a 50 percent limit in 1980 declining to 40 percent in 1982 for the amount that may be spent for wages and benefits. A waiver of the requirement in later years is provided for areas of substantial unemployment.

The House recedes.

The Senate bill specifies that services for youth shall be designed to assist eligible youth in overcoming the particular barriers to employment experienced by youth and provides that the Secretary shall insure that each prime sponsor's plan for services for eligible youth include specified provisions. The House amendment has no similar provision.

The House recedes with an amendment to delete the provision requiring assurances that maximum feasible efforts will be made to develop and provide referral to appropriate jobs for which youth are qualified.

The Senate bill specifies that services for older workers shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by older workers and provides that the Secretary shall insure that each prime sponsor's plan include specific provisions relating to services for older workers. The House amendment has no similar provision.

The House recedes with an amendment to provide that each prime sponsor's plan includes specific provisions relating to services for older workers, such as, but not limited to, those enumerated in section 308.

The Senate bill specifies that services for public assistance recipients shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by such recipients and provides that the Secretary shall insure that each prime sponsor's plan for services for public assistance recipients include specific provisions.

The House recedes with an amendment to delete specific references to the types of activities and services authorized.

The Senate bill states that services for displaced workers shall be designed to assist eligible participants in overcoming the particular barriers to employment created by technological change or the decline in local economics and provides that the Secretary shall insure that each prime sponsor's plan for services for displaced workers include specified provisions. The House amendment has no similar provision.

The Senate recedes.

Both bills provide that employees will be compensated at rates including periodic increases as the Secretary deems reasonable. The Senate bill includes in the factors determining those rates skill requirements and geographical region. The House amendment has no similar provisions.

The House recedes.

The Senate bill provides a public service employment program for the structurally unemployed as a separate Part D of Title II with its own authorization and formula for allocating funds. The House bill provides that public service employment is an authorized activity under Part B of Title II (Services for the Economically Disadvantaged) with limitations on the amount of funds that may be used for PSE wages and benefits.

The House recedes.

The Senate bill requires that transitional public service employment programs shall include appropriate training and supportive services and be designed to lead to unsubsidized employment. The House amendment is different in the following respects: It requires that positions be entry level; that training and services must be provided only if reasonably available in the area; and shall, subject to the availability provision, provide for 8 hours of skill training for every 40 hours of participation unless the Secretary determines that less is required.

The Senate recedes with an amendment to delete the House provision requiring 8 hours of skill training for every 40 hours of participation.

The Senate bill requires that no less than 90% of the funds for public service employment programs received under this Part by a prime sponsor be expended for wages, employment benefits, training and supportive services. The House has no similar provision.

The conference agreement provides that in fiscal year 1979, not more than 90 percent shall be used for wages and benefits and not less than 10 percent for training: Fiscal year 1980 not more than 85 percent for wages and benefits and not less than 15 percent for training; fiscal year 1981 not more than 80 percent for wages and benefits and not less than 20 percent for training; and fiscal year 1982 not more than 78 percent for wage and benefits and not less than 22 percent for training.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

The Senate bill provides that the Secretary is authorized to use funds to provide for employment and training programs for those persons who face particular disadvantages in the labor market. The House amendment provides that the Secretary shall use funds to provide programs for the same persons.

The House recedes with an amendment providing that the Secretary shall use funds under this title to provide services.

In addition to those listed in both bills, the Senate bill lists displaced homemakers, individuals who lack educational credentials and public assistance recipients among those facing disadvantage in the labor market. The House amendment lists women.

The House recedes with an amendment to include women in the list of those who face a particular disadvantage in specific and general labor markets.

The Senate bill provides that Displaced Homemaker programs may be operated through multipurpose projects or otherwise. The House amendment provides that employment and training and supportive services for displaced homemakers will be provided through private nonprofit organizations and public agencies, including prime sponsors.

The House recedes.

The Senate bill provides that the Secretary shall prescribe priorities for participation in the displaced homemaker program based on age, education, training, household support obligations and employability. The House amendment has no similar provision.

The House recedes.

The House amendment provides that no funds under the Displaced Homemaker program shall be used for the purchase, construction, or major rehabilitation of facilities. The Senate bill has no similar provision.

The Senate recedes.

The House amendment would reserve not more than 2 percent of the funds available for title III for the Displaced Homemaker program. The Senate bill has no similar provision.

The Senate recedes.

Both bills provide for offender programs. The Senate bill provides that the Secretary shall support activities designed to enable offenders to secure meaningful training and employment including those services which would provide highly structured and supervised employment opportunities such as that provided under section 311(c). The House amendment has no similar provision.

The House recedes.

The House amendment provides that the Secretary in developing information concerning the special needs of offenders shall include special studies regarding the incidence of unemployment among offenders and the means of increasing employment opportunities and that the Secretary shall conduct an annual survey of primes and States for the purpose of assessing the scope and implementation of offender programs. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that the Secretary in programs for persons with limited English-speaking ability shall provide services, where feasible, at times designed to meet the needs of individuals unable to attend during normal working hours and to develop new employment opportunities for limited English-speaking persons and opportunities for promotion within existing employment situations for such persons. The Senate has no similar provision.

The Senate recedes.

The Senate bill requires z report on programs under this section by April 1 of each year. The House amendnent has no comparable provision.

The House recedes with an amendment requiring the report by March 1.

The Senate bill requires that the Secretary offer the prime sponsors planning council an opportunity for comment before funding a program in the area. The House amendment has no similar provision.

The Senate recedes.

The House amendment provides that the eligibility requirements for programs for workers age 55 and older established under title X of the Public Works and Economic Development Act and funded under section 304 of CETA shall be those which were established under title X. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides for funding local workshops for training of youths and others as self-employed owners and managers of small businesses. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that the Secretary shall utilize whereever possible Indian tribes, bands, or groups, on Federal or State reservations and Oklahoma Indians for the provision of employment and training services under this section. The House amendment has no limitation to those on Federal or State reservations.

The House recedes.

The Senate bill provides that the Secretary shall reserve from title III funds no less than 4.5 percent of the amount allocated under section 202(a)(1) for the Native American programs. The House amendment provides for an amount equal to not less than 3 percent of the amount allocated pursuant to section 202(a).

The House recedes.

Both bills authorize the Secretary to meet the employment and training needs of migrants and seasonal farmworkers. The Senate bill requires the program operator to have: (1) an understanding of migrant problems; (2) a familiarity of the area to be served; and (3) the capability to administer such a program. The House amendment provides that the Secretary will not provide any preferential weighting factor to an application by virtue of the fact that the applicant holds a prior grant, nor any negative factor because the applicant is an instrument of a State.

The conference agreement combined both provisions.

The House amendment provides for a statutory basis for the continuation of the high school equivalency program (HEP) and the college assistance migrant program (CAMP). The Senate had no similar provision.

The Senate recedes.

The Senate bill provides for a set-aside of title III funds an amount equal to 5 percent of the amount allocated under parts A, B, and C for migrant and seasonal farmworker programs of title II. The House amendment provides for 2.6 percent of the amount allocated under title II.

The House recedes.

The House amendment requires the Secretary to consult with State and local officials and he may enter into agreements with such officials to assist in the operation of these programs. The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that the Secretary is authorized to carry out a job search assistance program to economically disadvantaged unemployed and underemployed persons. The House amendment has no similar provision.

The House recedes.

The House amendment provides that the Secretary shall establish programs which will train personnel to work with and assist handicapped individuals. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that the Secretary is authorized to promote the development of partnership arrangements between prime sponsors and State employment security agencies, and the Secretary is authorized to reimburse primes for costs associated with the implementation of a partnership and to provide incentives to insure that employment security agencies may participate on an equitable basis. The Senate bill has no similar provision.

The Senate recedes.

The House amendment requires a middle-aged and older worker program using not more than 10 percent of the amount allocated under title II. The Senate bill has no comparable provision.

The Senate recedes with an amendment to conform to the eligibility requirements in title V of the Older American Act and to reduce the percentage of funds, not more thad 5% of the amounts available under title III.

The Senate bill requires the Secretary to establish programs designed to increase knowledge about labor market processes including programs designed to eliminate artificial barriers to employment. The House has no similar provision.

The House recedes.

Both bills authorize the Secretary to conduct supportive employment and training projects. The House amendment requires these projects to be a part of, or coordinated with, existing projects. The Senate bill has no such limitation.

The House amendment includes ex-offenders in the target group for these projects and requires that necessary skill training be provided. The Senate bill has no similar provision.

The Senate recedes.

Both bills provide for a variety of welfare demonstration projects. The Senate bill specifies that such projects shall, to the extent practicable, be conducted in rural and urban areas, in sparsely and densely populated areas, and in areas with inadequate means of transportation. The House amendment has no similar provision.

The House recedes.

The House amendment authorizes the Secretary to conduct programs through community vocational resource centers in economically depressed communities. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that the Secretary shall conduct educational and assistance programs designed to eliminate artificial barriers to employment based upon race, sex, national origin, age, records of arrest or conviction, handicaps, marital status, or other criteria. The Senate bill has no similar provisions.

The Senate recedes.

The Senate bill provides that in order to reduce the costs for carrying out the labor market information and job bank program the Secretary shall consult with the National Commission on Employment and Unemployment Statistics. The House amendment has no similar provision.

The Senate recedes.

The Senate bill provides that the Secretary shall, to the maximum extent possible, use statistical sampling techniques in order to reduce the paperwork and cost burden on prime sponsors. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall prepare and submit to Congress an annual evaluation plan dealing with the areas of research, statistics, evaluation, experimentation and demonstrations to be undertaken in the succeeding fiscal year. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall submit to Congress at the same time as the President submits his budget, an annual evaluation report for employment and training programs. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall notify prime sponsors of experiments and demonstrations to be conducted in their States and shall provide to each prime sponsor and Governor the results of all such research demonstrations, evaluations, and experiments. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that funds available under this section may be transferred to any other Federal agency pursuant to agreement with the Secretary. The House amendment has no similar provision.

The Senate recedes.

The House amendment provides that the Secretary shall develop certain standard definitions and establish certain procedures for the uniform reporting by prime sponsors. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill requires the National Occupational Information Coordinating Committee to give special attention to the labor market information needs of youth. The House amendment requires special attention to the problems of unemployed youths.

The House recedes.

The House amendment provides that the National Occupational Information Coordinating Committee will encourage programs to make available employment and career counseling to post-secondary youths and provide technical assistance for programs designed to encourage the listing of all available job opportunities for youths with various appropriate offices. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill includes funds available to NOICC under section 12 of the Career Education Act. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that a prime sponsor may volunteer for an evaluation of its title II program and authorizes the Secretary to make awards to those prime sponsors who do well. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall establish a special voucher project to demonstrate the efficacy of providing vouchers to economically disadvantaged persons who are unemployed or underemployed. The House Amendment provides that the Secretary is authorized to carry out such a program. The Senate bill mandates a report by October 1, 1980. The House amendment does not.

The House recedes with an amendment to include this report in the President's Employment and Training Report.

The Senate bill provides that the Secretary is authorized to carry out a special experimental program to link the employment and training activities of prime sponsors to a workable strategy for stimulating local private economic development and replacement of declining industries. The House amendment has no similar provision.

The House recedes.

TITLE IV—YOUTH PROGRAMS

The House amendment has an overall statement of intent for the title IV youth programs. The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that any earnings or allowances received by any eligible youth under title IV shall be disregarded in determining the eligibility of the youth's family for any benefits based on need under any Federal or federally assisted program. The Senate bill has a similar provision but limited to programs under part A of this title. (See Secs. 436(a)(5) and 446 of the Senate bill.)

The Senate recedes with an amendment to limit the disregard of earnings provision to part A of this title and to place the provision in the general conditions section.

The House amendment includes projects operated by institutions of higher education in the list of eligible employment programs. The Senate bill does not.

The Senate recedes.

The Senate bill requires prime sponsors to consult with State and local public assistance agencies. The House amendment has no similar provision.

The House recedes.

The Senate bill requires assurances that special efforts will be made to recruit youths from families receiving public assistance including parents of dependent children who meet the age requirement of this subpart. The House amendment has no similar provision.

The House recedes.

The Senate bill requires reports to Congress by December 31, 1978 and March 15, 1979 concerning youth incentive entitlement projects. The House amendment provides for reports by March 15, 1979, and by December 31, 1979, concerning these projects.

The Senate recedes.

The Senate bill includes the removal of architectural barriers to access by handicapped persons to public facilities as an eligible activity under community improvement projects. The House amendment has no similar provision.

The House recedes.

The Senate bill requires that agreements include a description of arrangements with public assistance agencies on the employment of youth from families receiving public assistance including parents of dependent children. The House amendment provides that the agreement include a description of the arrangements with courts of jurisdictions for status and youthful offenders.

The Senate recedes with an amendment to merge both provisions.

The Senate bill includes removal of architectural barriers to access by handicapped persons to public facilities as eligible activities under subpart 3. The House amendment has no similar provision.

The House recedes.

The House amendment includes assistance to employers in developing job ladders. The Senate bill has no similar provision.

The Senate recedes.

The Senate bill includes coordination of statewide activities carried out under the Career Education Incentive Act as an eligible activity for the special statewide youth services program. The House has no similar provision.

The House recedes.

The Senate bill provides that prime sponsors describe the relationship and coordination of services provided by the courts of jurisdictions for status and youthful offenders to eligible participants. The House amendment has no similar provision.

The House recedes.

The Senate bill requires that assurances be given that, to the extent appropriate, there will be coordination with public assistance agencies and the courts of jurisdiction for status and youthful offenders system. The House amendment has no similar provision.

The House recedes.

The Senate bill requires that assurances be given that in the implementation of programs under this subpart there will be coordination with activities conducted under the Career Education Incentive Act. The House amendment has no similar provision.

The House recedes.

The House amendment provides that when the Secretary uses discretionary funds for the development or implementation of statewide career information systems the occupational data contained within shall be subject to the approval of the appropriate State Occupational Information Coordinating Committee. The Senate bill has no similar provision.

The House recedes.

The Senate bill provides that the Secretary shall carry out in no more than 10 areas of high youth unemployment a program to provide bonuses of up to $2,500 per youth to employees who employ at least five youths for 1 year who prior to employment are economically disadvantaged, unemployed and have no significant previous employment. The House amendment has no similar provision.

The House recedes.

The Senate bill requires a person to be at least 14 but not 22 years. The House amendment requires a person to be either 16 to 21, inclusive, or if authorized under regulations of the Secretary, age 14 to 15, inclusive, see section 401 of the House amendment.

The House recedes.

Both bills provide that enrollees be free of any serious medical or behavioral problems and the House amendment specifies that such problems not be so serious that the individual could not adjust to the standards of conduct, discipline, work and training which the Job Corps involves.

The Senate recedes.

The Senate bill provides that in the case of any handicapped individual the Secretary may waive the maximum age requirement specified. The House amendment has no similar provision.

The House recedes.

The Senate bill provides that before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction and other behavioral aberrations, the Secretary shall obtain a finding from a professionally qualified person who knows such individual's situation, that there is a reasonable expectation that the individual's conduct will not be inimicable to the Job Corps and that the Job Corps will help to overcome the individual's problem. The House amendment has no similar provision.

The Senate recedes.

The Senate bill provides that an individual on probation or parole be selected only if release from supervision is satisfactory to the probation or parole officials and does not violate applicable laws or regulations, and the Secretary has arranged to supervise the individual and provide all required reports to State and other authorities. The House amendment provides that no individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

The conference agreement is to combine both provisions and deletes the requirement that the Secretary supervise individuals on parole or probation.

The House amendment provides that a State board or agency designated pursuant to section 104(A)(1) of the Vocational Education Act which operates, or wishes to develop, area vocational education school facilities, or residential vocational schools, or both, is eligible to establish and operate a Job Corps center. The Senate has no similar provision.

The Senate recedes.

The Senate bill provides that allowances for enrollees shall be determined by the Secretary. The House amendment provides that allowances shall be established at a rate not to exceed $60 per month during the first 6 months of an enrollee's participation, and not to exceed $100 per month thereafter, except that allowances in excess of $60 a month but not exceeding $100 a month may be provided from the beginning of an enrollee's participation if it is expected to be of less than 6 months duration. The House amendment further authorizes the Secretary to pay personal allowances in excess of the rate specified in unusual circumstances.

The conferance agreement is to use the House provision for fiscal year 1979 and allow the Secretary the discretion to increase the level of allowances thereafter.

The Senate bill provides that the Secretary shall prescribe rules governing the accrual of leave by enrollees. The House amendment provides the same except that in the case of an emergency the Secretary shall not assume transportation costs connected with leave of any enrollee who has not completed at least 6 months service in job corps.

The House recedes with an amendment to include transportation costs.

The Senate bill provides that the Secretary will determine the readjustment allowances for enrollees. The House amendment provides the readjustment allowance not to exceed $100 for each month of satisfactory participation in the Job Corps.

The conferance agreement is to use the House provision for fiscal year 1979 and allow the Secretary the discretion to increase the level for the readjustment allowance thereafter.

The Senate bill provides that the Secretary may prescribe that portion of the readjustment allowance which may be paid monthly during the period of service of an enrollee directly to a spouse or child of an enrollee. The House amendment provides that that portion may not exceed $50 for each month of satisfactory service.

The House recedes.

The House amendment provides that standards of conduct shall be stringently enforced. The Senate bill provides that they will be enforced.

The Senate recedes.

The Senate bill provides that youth shall be represented on the advisory council. The House amendment provides that youth participation in advisory council affairs shall be encouraged.

The House recedes.

The Senate bill provides that the Secretary shall submit to Congress no later than March 1 of each year, a report concerning the Job Corps. The House amendment has no similar provision.

The Senate recedes.

The Senate bill provides that 95 percent of the funds shall be allocated and that the remainder shall be used in the Secretary's discretion, including allocations to Native American entities. The House amendment provides that in order to receive assistance, primes must submit a plan, and that the Secretary may reserve up to 5 percent of the funds for his discretion.

The Senate recedes with an amendment to include allocations to Native American entities under section 482(b).

TITLE V—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

The Senate bill provides that the Commission shall advise the President and the Congress. The House amendment provides that it shall advise the Secretary.

The House recedes.

The Senate bill names the commission the National Commission for Employment Policy. The House amendment names it the National Commission for Employment and Training Policy.

The House recedes. The Conferees intend that this commission be independent of any administration control.

The Senate bill includes the Secretaries of Labor, and Health, Education and Welfare, the Administrator of Veterans' Affairs, the Chairman of the Equal Employment Opportunity Commission, and the Director of the Community Services Administration, as members of the National Commission. The House amendment would not include any administration members.

The House recedes with the intention that the Commission be totally independent in formulating employment policy.

Both bills provide that the membership should be broadly representative. The Senate bill would have nine such members. The House amendment would have 14 (including 2 Governors, 2 county officials, and 2 city officials who are currently serving in a prime sponsor area); the Senate bill has no similar requirement.

The House recedes with an amendment to require the State and local officials who are appointed to the Commission to be currently serving in office.

The Senate bill provides that each member would serve on the Commission for 3 years (except (1) for an initial staggering—four for 2 years and five for 3 years, and (2) when a person is appointed to fill an unexpired term, in which case the person would serve the remainder of the term). The House amendment provides that each person would serve for terms of 1 year beginning at the beginning of a fiscal year.

The House recedes with an amendment to provide for a staggering of the terms of the Commission members: Three would be appointed for 1 year (they may be appointed from those who are currently serving on the National Commission for Manpower Policy); three would be appointed for 2 years; and three would be appointed for three years.

The Senate bill provides that a majority of the Commission shall constitute a quorum and any recommendations must be approved by a majority of the Members. The House amendment has no similar provision.

The House recedes with the understanding that votes shall be made public, and identified by member.

Both bills provide for the appointment of an Executive Director of the Commission. The Senate bill provides that the Director shall be appointed by the President. The House amendment provides that the Director shall be appointed by the Chairperson.

The Senate recedes with an amendment to provide that the Chairman of the Commission, with the concurrence of the Commission, would appoint a Director, who shall perform such duties as the Chairman prescribes.

Both bills detail the functions of the Commission. The Senate bill includes in the functions (1) develop and make appropriate recommendations and develop innovative approaches, designed to meet the Nation's employment needs and goals; (2) study and make recommendations on how the Nation can attain and maintain full employment; (3) identify and assess the goals and needs of the Nation with respect to economic growth and work improvements; (4) examine and evaluate the programs under this act with those under Parts A and C of the Social Security Act; and (5) examine and evaluate the eligibility standards in titles II and VI to determine their impact on single heads of households and submit a report on such standards no later than July 1, 1979. The House amendment does not contain such specific provisions.

The House recedes.

Both bills authorize the Commission to accept and employ or dispose of gifts or bequests in order to carry out its functions. The Senate bill provides that the gifts or bequests will be accepted in the name of the United States; the House amendment states the Department of Labor.

The Senate bill also lists a variety of administrative provisions for the Commission, including the prescribing of rules, appointing and fixing the compensation of staff, procuring the services of experts and consultants, entering into contracts, use of services from other executive branch agencies, and make advance payments. The House amendment does not.

The House recedes.

The House amendment requires the Commission to include in all reports made under this section any minority or dissenting views submitted by any member of the Commission. The Senate bill does not.

The Senate recedes.

The Senate bill provides a $3 million authorization for fiscal year 1979 and an open end authorization for the following 3 years. The House amendment has an open end authorization for fiscal year 1979 through fiscal year 1982.

The Senate recedes with the intent that there will be sufficient funds to insure their independence and to carry out the activities under this title.

TITLE VI—COUNTERCYCLICAL PUBLIC SERVICE EMPLOYMENT PROGRAM

The Senate bill states the purpose of the title as providing eligible unemployed persons with transitional jobs and related training to move them into unsubsidized employment. The House amendment states the purpose as providing termporary employment in periods of high unemployment and further states an intent to fund jobs in a number equal to 20 percent of the unemployed in excess of 4 percent of the labor force.

The Senate recedes with an amendment to provide that the number of jobs to be funded when the unemployment rate is at least 7%, will be sufficient to provide jobs for 25% of the unemployed in excess of 4% of the labor force.

The Senate bill has a 4-year such sums as may be necessary authorization. The authorization in the House bill is equal to the amount needed to fund the number of jobs in the statement of purpose. The House amendment also provides that the President shall before March 1 of each year report to the Congress his estimate of the funds that would need to be appropriated to fund the number of jobs specified in the statement of purpose, his estimate of unemployment for the following fiscal year and the average man-year cost of each public service employment opportunity. This report is to be updated, if necessary, every 3 months thereafter.

The House amendment also provides that the Secretary shall inform each prime sponsor of its estimated allocation based on the appropriation proposed in the report and each prime sponsor's plan shall contain provisions for a transition to the number of jobs that would be funded under that allocation.

The Senate recedes.

The Senate bill provides that not less than 80 percent of the funds received for public service employment programs shall be expended for wages and employment benefits and not less than 10 percent for training and employability counseling for persons employed under the title. The remainder may be used for administrative and other costs. The House amendment permits no more than 15 percent of the funds received to be used for administrative and other allowable costs.

The House recedes with an amendment to require that not less than 10% of the funds shall be for training during the first fiscal year and not less than 5% thereafter.

The House amendment provides that teaching positions in elementary and secondary schools with local educational agencies shall be filled by subcontracting with such agencies. The Senate bill has no comparable provisions.

The Senate recedes.

Both bills reserve 2 percent of the title VI funds for Native American entities. The House amendment specifies that funds be allocated among such entities in accordance with the allocation formula. The Senate bill does not so specify.

The House recedes.

The Senate bill requires 85 percent of the available funds to be distributed by formula. The House amendment provides for 90 percent to be so distributed.

The House recedes.

The Senate bill provides that "excess number" of unemployed in the case of any prime sponsor means the greater of the number of unemployed in excess of 4.5 percent of the labor force either in the jurisdiction of the prime sponsor or in areas of substantial unemployment within the jurisdiction of the prime sponsor.

The House amendment provides that such term means the number of unemployed in excess of 4.5 percent in the jurisdiction of the prime sponsor, except in the case of a prime sponsor who is a State, for which the provisions are the same as in the Senate bill.

The Senate recedes.

Under the Senate bill, all funds must be expended for projects planned to extend for not more than 12 months, though such project may be extended after an annual review by the prime sponsor and in accordance with regulations of the Secretary.

Under the House amendment at least 50 percent of the funds must be expended for projects of no more than 2 years duration. The remainder of the funds must be used to fund entry level positions.

The Senate recedes with an amendment to limit projects to 18 months with a renewal provision for the project.

The Senate amendment requires the prime sponsor to assess the employability of Title VI participants and to use the 10 percent set-aside of funds for training and employability services only for those participants determined to need them. The House amendment has no comparable provision.

The House recedes.

The House amendment includes Hawaiian Native organizations among the eligible applicants for Title VI funds. The Senate bill provides for Hawaiian Natives to be employed in public service through existing prime sponsors serving them.

The House recedes.

The Senate bill provides that a person is eligible for employment if currently unemployed, unemployed for 10 out of the last 12 weeks and either has family income at or below 85 percent of the BLS lower living standard budget or is receiving AFDC or SSI. Under the House amendment, an individual is eligible if unemployed for at least eight weeks and has family income at or below 100 percent of the BLS lower living standard budget.

The Senate recedes with amendments to : one establish unemployment eligibility at 10 of the last 12 weeks; and two to include AFDC and SSI recipients as eligible.

The Senate bill provides that no person may be employed, under this Title, after Sept. 30, 1978, for more than 1 year in any 5 year period unless the Secretary grants a waiver. The House amendment has no comparable provision applicable only to title VI.

The Senate recedes.

The Senate amendment authorizes wages supplementation for employees up to a maximum of 20 percent of the permissible maximum wage for the area. The House amendment permits supplementation above the maximum wages only to the extent that average wages in the area exceed the national average wage, but not more than 20 percent.

The conference agreement limits supplementation to 10% above the Federal maximum wage. In any area where the average wage is between 125% and 150% of the national average, the wages may be supplemented up to 20%.

The House amendment limits the percentage of employees whose wages can be supplemented to 25 percent of the total in fiscal year 1979, 20 percent in fiscal year 1980 and 15 percent in fiscal years 1981 and 1982. The Senate bill has no comparable provision.

The House recedes.

The Senate bill prohibits the use of Title VI funds for upgrading and retraining programs under Part C of Title II. The House amendment does not.

The Senate recedes.

TITLE VII—PRIVATE SECTOR OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

The Senate bill states its purpose to be to increase employment opportunities for unemployed or underemployed persons who are economically disadvantaged. The House amendment is for the economically disadvantaged.

The House recedes.

The Senate's bill statement of purpose provides that employment and training opportunities shall be made available on an equitable basis among the significant segments of the eligible population.

The House amendment has no similar provision.

The House recedes.

The Senate bill provides that 95 percent of the funds shall be allocated on an equitable basis taking into account the factors in the formula in section 202(a)(1) and that the remainder of the funds shall be used to provide financial assistance to prime sponsors who join together to establish a single private industry council and to native American entities. The House amendment provides that funds shall be allocated by the Secretary on an equitable basis taking into account the factors used in allocating the funds under title II.

The Senate recedes with an amendment to provide that 95% shall be allocated by formula and that the remainder shall be used to provide financial assistance to prime sponsors who join together to establish a single private industry council and to Native American entities.

The House amendment limits financial assistance under title VII to prime sponsors who include satisfactory provision in their title II plans. The Senate bill has no such limitation.

The Senate recedes.

The Senate bill provides that financial assistance will only be provided to a prime sponsor if (1) the proposed activities are consistent with the provisions of the Act and regulations, (2) that the assistance will be used to supplement and not supplant OJT and related activities carried out under titles of the act, (3) that the PIC will make an analysis of private sector job opportunities, (4) the PIC provided a copy of its proposed plan to the prime sponsor planning council and that the recommendations of said council were satisfactorily considered prior to submission to the plan to the Secretary, (5) the plan was made available to appropriate labor organizations, community based organizations, and educational agencies for their comments, and (6) the prime sponsor and PIC have both agreed to the plan submitted to the Secretary and have provided assurances that no activities will be funded which do not have the approval of both prime sponsors and the PIC.

The House amendment provides that the prime sponsor as part of its title II plan shall describe its proposed private sector initiatives and the integration of such initiatives with other training and placement activities under the act, and included an analysis of private sector job opportunities utilizing information provided by the private industry council.

The conference agreement merges the provisions.

The Senate bill provides that a specific waiver by the Secretary shall be required in order to make payments to private for profit employers that are not covered by regulations under other titles of the act. The House amendment has no such waiver provision.

The House recedes with an amendment to provide that the Secretary shall establish procedures to review any proposals for any activities which are not covered by regulations issued under the Act.

The Senate bill provides that representatives of community based organizations shall be appointed to serve on private industry councils, and that representatives of educational agencies may be appointed to the private industry council.

The House amendment provides that representatives from educational institutions shall be appointed to the council and that representatives of community based organizations which have demonstrated their effectiveness in working with the private sector may be included on the council. The House amendment further provides that at least half of the industry and business representatives on the council shall be representatives of small businesses (any private for profit enterprise employing 500 or fewer employees).

The conference agreement mandates representation on the PIC of both groups and provides that wherever possible at least half of the industry representatives shall be representatives of small business.

The Senate bill provides that the council shall consult with the prime sponsor with respect to other programs under this act. The House amendment provides that the prime sponsor in its plan shall describe its proposed private sector initiatives and the integration of such initiatives with other training and placement activities under this act.

The House recedes.

The House amendment provides that the council shall utilize labor organizations to the extent appropriate.

The Senate bill has no similar provision.

The Senate recedes.

The Senate bill includes in its list of eligible activities conducting innovative cooperative education programs for youths in secondary and post-secondary schools designed to coordinate educational programs with work in the private sector and conducting vocational exploration programs in the public and private sector. The House amendment has no similar provisions.

The House recedes on the Senate language providing for conducting innovative cooperative education programs for youths, and the Senate receded on its language providing for conducting vocational exploration programs. The conferees note that [To be supplied VII 9.]

The House amendment authorizes the following activities: (1) developing a small business intern program; (2) providing on the job training subsidies on a declining ratio to wages over a period of training; (3) providing follow-up services with employees placed in private employment and employers who hire recipients of services under this act; (4) encouraging employers to develop job skill requirement forecasts and to coordinate such forecasts with prime sponsors; (5) using direct contracts for training and employment programs with private for profit and private nonprofit organizations; (6) developing apprenticeship work comparable high skill training programs for workers regardless of age, in occupations where such programs do not exist presently in the area; and (7) increasing opportunities for up-grading from entry level jobs by providing counciling and other services to employees and employers beyond initial training periods. The Senate bill has no similar provisions.

The Senate recedes.

The Senate bill provides that not less than 90 percent of the funds allocated shall be expended only for wages, employment benefits, training and supportive services. The remainder may be used for administrative and other allowable costs. The House amendment has no similar provisions.

The conferees agree that 10% is the proper amount, but, since this is a new program, the conferees agree that some administrative leeway may be necessary during the initial start-up; however, it is expected that every effort will be made to keep this at 10%.

The Senate bill provides for the authorization of $400 million for fiscal year 1979 and such sums as may be necessary for fiscal year 1980. Section 112 of the House amendment provides that $500 million are authorized for fiscal year 1979 and $525 million for fiscal year 1980.

The Senate recedes.

TITLE VIII—YOUNG ADULT CONSERVATION CORPS

The Senate bill places the Young Adult Conservation Corps in title IV. The House amendment places the program in title VIII.

The Senate recedes.

The Senate bill provides that the Secretary shall make arrangements for obtaining referral of candidates for the Corps from public assistance agencies. The House amendment has no such provision.

The House recedes.

The Senate amendment includes a reference to the Fish and Wildlife Conservation Act. The House amendment does not.

The House recedes.

The Senate amendment authorizes the Young Adult Conservation Corps through fiscal year 1980. Section 112 of the House Amendment authorizes the program through fiscal year 1982.

The Senate recedes.

OTHER PROVISIONS

The Senate bill makes it a criminal offense to knowingly hire an ineligible individual or to willfully obstruct an investigation under CETA. The House amendment has no such provision.

The House recedes.

The Senate bill provides that a Secretary may provide financial assistance in the same manner and on the same conditions as provided prior to the amendment made by this act until April 1, 1979. The House amendment provides the Secretary may waive those provisions of sections 103 and 104 which are inconsistent with the comparable provisions of this act prior to the enactment of these amendments and allow prime sponsors to submit plans and applications for assistance consistent with the new amendments beginning on the effective date of the amendments and ending December 31, 1978.

The Conference agreement provides that the Secretary of Labor may provide financial assistance under either the CETA provisions in effect before the enactment of this legislation or the provisions of the new amendments until March 31, 1979. However, fraud and abuse provisions shall take effect as soon as possible. The new legislation's eligibility, supplementation limitations, and maximum Federally-supported wages shall take effect 90 days after the enactment of the new legislation.

The Senate bill requires the Secretary to submit to Congress not later than February 1, 1979 a report containing recommendations and suggested legislation with respect to any necessary improvements in the Wagner-Peyser Act including anything necessary to assure coordination between such act and the Comprehensive Employment and Training Act. The House amendment has no similar provision.

The House recedes.

The Senate bill requires the Joint Economic Committee to report to Congress on or before March 1, 1979 on the ability of targeted structural employment training programs to achieve and sustain (1) a decrease in unemployment rates among those segments of the labor force having special difficulty in obtaining employment, and (2) a decrease in the national unemployment rate without exacerbating inflation. Reports shall make such recommendations as the committee deems appropriate. The House amendment has no similar provisions.

The House recedes.

The Senate bill requires the Secretary to develop information relating to the number of individuals who are at least 16 years of age and members of families with incomes which is equal to or less than 70 percent, 85 percent and 100 percent of the lower living standard income level for the jurisdiction of each prime sponsor. The Secretary shall submit a report not later than 1 year after the enactment of this act to the President and to the Congress on the information required by the subsection. The House amendment has no similar provision.

The House recedes.

The Senate bill includes a separate statute to provide for the establishment of a program to encourage the formation of joint labor management committees on plant, area, and industry-wide basis to improve communication between labor and management, and enhance job security and organizational effectiveness. The program would be administered by the Federal Mediation and Conciliation Services. The House amendment has no similar provision.

The House recedes.

The Senate bill increases the number of Assistant Secretaries in the Department of Labor from 5 to 6. The House amendment has no similar provision.

The Senate recedes.

The House amendment provides that this act shall take effect on October 1, 1978. The Senate bill becomes effective on enactment.

The House recedes.

Gaylord Nelson,
Harrison A. Williams,
Edward M. Kennedy,
Alan Cranston,
William D. Hathaway,
Don Riegle,
Jacob K. Javits,
Richard S. Schweiker,
Orrin G. Hatch,
John Chafee,
Managers on the Part of the Senate.

Carl D. Perkins,
Augustus F. Hawkins,
John H. Dent,
Edward P. Beard,
Michael O. Myers,
Joseph A. Le Fante,
Ted Weiss,
William Clay,
Baltasar Corrada,
Albert H. Quie,
Ronald A. Sarasin,
James M. Jeffords,
Carl Pursell,
Managers on the Part of the House.

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